



## Report and condensed consolidated financial information for the three month period ended 31 March 2021

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**REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS AL WAHA CAPITAL PJSC**

***Introduction***


We have reviewed the accompanying condensed consolidated statement of financial position of Al Waha Capital PJSC (“the Company”) and its subsidiaries (together referred to as “the Group”) as at 31 March 2021 and the related condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

***Scope of review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with IAS 34.



Signed by  
Raed Ahmad  
Partner  
Ernst & Young  
Registration No. 811

4 May 2021  
Abu Dhabi

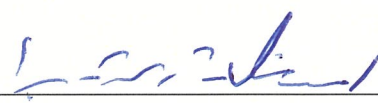
## Condensed consolidated statement of financial position

	Note	As at 31 March 2021 (Unaudited) AED '000	As at 31 December 2020 (Audited) AED '000
<b>ASSETS</b>			
Property and equipment, net		43,273	46,368
Right-of-use assets	16	110,792	113,550
Investment property	6	716,534	715,989
Goodwill and intangible assets		78,979	79,080
Loan investments	7	37,647	45,003
Investments in equity-accounted associates and joint ventures	8	463,439	472,076
Financial investments	9	6,388,430	6,163,043
Inventories		15,135	15,224
Trade and other receivables	10	561,761	526,796
Cash and bank balances	11	597,322	704,684
<b>Total assets</b>		<b>9,013,312</b>	<b>8,881,813</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		1,944,515	1,944,515
Treasury shares		(267,184)	(267,184)
Retained earnings		848,499	848,229
Reserves		505,780	505,847
<b>Equity attributable to the Owners of the Company</b>		<b>3,031,610</b>	<b>3,031,407</b>
Non-controlling interests		1,197,628	1,118,188
<b>Total equity</b>		<b>4,229,238</b>	<b>4,149,595</b>
<b>Liabilities</b>			
Borrowings	13	4,070,941	4,211,842
End of service benefit provision		26,161	26,058
Derivative liabilities	14	33,589	29,907
Lease liabilities	16	125,949	126,383
Trade and other liabilities	15	527,434	338,028
<b>Total liabilities</b>		<b>4,784,074</b>	<b>4,732,218</b>
<b>Total equity and liabilities</b>		<b>9,013,312</b>	<b>8,881,813</b>

These condensed consolidated financial statements were authorised for issue by the Board of Directors on 4 May 2021 and signed on their behalf by:



Chairman



Chief Executive Officer



Chief Financial Officer

## Condensed consolidated statement of profit or loss

### For the three month period ended 31 March

	Note	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
Revenue from sale of goods and services	17	77,949	74,271
Cost of sale of goods and services	17	(59,288)	(58,137)
<b>Gross profit</b>		<b>18,661</b>	16,134
Share of loss from equity-accounted associates and joint ventures, <i>net</i>	8	(5,671)	(278)
Income / (loss) from financial investments	18	223,788	(446,893)
Gain on settlement of loan investments	7	-	11,244
Income from investment property, <i>net</i>		11,670	9,193
Other income, <i>net</i>		1,508	2,544
<b>Net operating income / (loss)</b>		<b>249,956</b>	(408,056)
General and administrative expenses	19	(65,333)	(45,811)
Finance cost, <i>net</i>	20	(22,128)	(27,600)
<b>Profit / (loss) for the period</b>		<b>162,495</b>	(481,467)
<b>Profit / (loss) for the period attributable to:</b>			
Owners of the Company		110,581	(294,454)
Non-controlling interests		51,914	(187,013)
<b>Profit / (loss) for the period</b>		<b>162,495</b>	(481,467)
<b>Basic and diluted earnings / (loss) per share attributable to the Owners of the Company (AED)</b>	12	<b>0.060</b>	(0.160)

## Condensed consolidated statement of profit or loss and other comprehensive income

For the three month period ended 31 March	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
<b>Profit / (loss) for the period</b>	<b>162,495</b>	(481,467)
<b>Other comprehensive loss</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Share of change in other reserves of equity-accounted associates and joint ventures	(67)	-
	(67)	-
<b>Total comprehensive profit / (loss) for the period</b>	<b>162,428</b>	(481,467)
<b>Total comprehensive profit / (loss) attributable to:</b>		
Owners of the Company	110,514	(294,454)
Non-controlling interests	51,914	(187,013)
<b>Total comprehensive profit / (loss) for the period</b>	<b>162,428</b>	(481,467)

The notes numbered 1 to 22 are an integral part of these condensed consolidated financial statements.

## Condensed consolidated statement of changes in equity

For the three month period ended 31 March

	Share capital AED '000	Treasury shares AED '000	Retained earnings AED '000	Statutory reserve AED '000	Other reserves AED '000	Total reserves AED '000	Equity attributable to Owners of the Company AED '000	Non-controlling interests AED '000	Total equity AED '000
At 1 January 2020	1,944,515	(267,184)	648,650	486,991	57	487,048	2,813,029	1,345,715	4,158,744
Loss for the period	-	-	(294,454)	-	-	-	(294,454)	(187,013)	(481,467)
Other comprehensive loss	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	(294,454)	-	-	-	(294,454)	(187,013)	(481,467)
Redemptions by non-controlling interests (note 5)	-	-	-	-	-	-	-	(4,143)	(4,143)
<b>At 31 March 2020 (Unaudited)</b>	<b>1,944,515</b>	<b>(267,184)</b>	<b>354,196</b>	<b>486,991</b>	<b>57</b>	<b>487,048</b>	<b>2,518,575</b>	<b>1,154,559</b>	<b>3,673,134</b>
At 1 January 2021	1,944,515	(267,184)	848,229	510,088	(4,241)	505,847	3,031,407	1,118,188	4,149,595
Profit for the period	-	-	110,581	-	-	-	110,581	51,914	162,495
Other comprehensive loss	-	-	-	-	(67)	(67)	(67)	-	(67)
Total comprehensive income / (loss)	-	-	110,581	-	(67)	(67)	110,514	51,914	162,428
Cash dividend (note 12)	-	-	(110,311)	-	-	-	(110,311)	-	(110,311)
Contributions by non-controlling interests (note 5)	-	-	-	-	-	-	-	27,526	27,526
<b>At 31 March 2021 (Unaudited)</b>	<b>1,944,515</b>	<b>(267,184)</b>	<b>848,499</b>	<b>510,088</b>	<b>(4,308)</b>	<b>505,780</b>	<b>3,031,610</b>	<b>1,197,628</b>	<b>4,229,238</b>

The notes numbered 1 to 22 are an integral part of these condensed consolidated financial statements.

## Condensed consolidated statement of cash flows

For the three month period ended 31 March

	Note	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
<b>Cash flows from operating activities</b>			
Profit / (loss) for the period		162,495	(481,467)
<b>Adjustments for:</b>			
Depreciation on property and equipment, net		4,260	4,665
Depreciation on right-of-use assets		3,617	3,960
Finance cost, <i>net</i>	20	22,128	27,600
Charge for employees' end of service benefits		1,581	1,942
(Gain) / loss on valuation of financial assets at fair value through profit or loss		(223,788)	446,623
Share of loss from equity-accounted associates and joint ventures, <i>net</i>	8	5,671	278
Dividend from equity-accounted associates and joint ventures	8	2,899	2,898
Amortisation and write off of intangible assets		101	138
Provision for expected credit losses		4,147	1,475
Investments in financial assets at FVTPL		2,083	966,486
Loans repaid for financial assets at FVTPL		(203,716)	(22,160)
Finance cost paid on loans obtained against financial assets at FVTPL		(10,112)	(13,978)
Interest paid on lease liabilities		(2,158)	(2,103)
Gain on settlement of loan investment		-	(11,244)
<b>Changes in working capital:</b>			
Change in inventories		89	(521)
Change in trade and other receivables		(38,103)	(586,344)
Change in trade and other liabilities		189,406	(5,654)
<b>Net cash (used in) / generated from operations</b>		<b>(79,477)</b>	<b>332,594</b>
Employees' end of service benefits paid		(1,478)	(2,421)
<b>Net cash (used in) / generated from operating activities</b>		<b>(80,955)</b>	<b>330,173</b>
<b>Cash flows from investing activities</b>			
Payments made for development of investment property		(545)	(200)
Purchase of property and equipment, net		(1,165)	(1,593)
Purchase of intangibles, net		-	(9)
Wakala deposit redeemed		-	15,000
Interest received		272	1,782
<b>Net cash (used in) / generated from investing activities</b>		<b>(1,438)</b>	<b>14,980</b>
<b>Cash flows from financing activities</b>			
Finance cost paid on borrowings		(10,985)	(15,383)
Principal paid on lease liabilities		(1,293)	(4,789)
Loans repaid		(122,291)	(343,226)
Loans obtained		185,029	888,175
Dividends paid	12	(110,311)	-
Contributions / (redemptions) of non-controlling interest holders, net		27,526	(4,143)
Proceeds from loan settlement		7,356	23,527
<b>Net cash (used in) / generated from financing activities</b>		<b>(24,969)</b>	<b>544,161</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(107,362)</b>	<b>889,314</b>
Cash and cash equivalents at 1 January		704,684	765,344
<b>Cash and cash equivalents at 31 March</b>		<b>597,322</b>	<b>1,654,658</b>

The notes numbered 1 to 22 are an integral part of these condensed consolidated financial statements.



## Notes to the condensed consolidated financial statements

### 1 Legal status and principal activities

Al Waha Capital PJSC (“the Company”) is a public joint stock company with limited liability, formed in the Emirate of Abu Dhabi, United Arab Emirates, by Emiri Decree No. 10 dated 20 May 1997 and incorporated on 12 July 1997.

These condensed consolidated financial statements for the three month period ended 31 March 2021 comprise the results and financial position of the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities (“associates and joint ventures”).

The Group invests in a wide range of sectors, including financial services, capital markets, industrial real estate, infrastructure, healthcare, fintech and oil and gas.

The Group’s consolidated financial statements for the year ended 31 December 2020 are available on its website [www.wahacapital.ae](http://www.wahacapital.ae) and also upon request at the Company’s registered office at P.O. Box 28922, Etihad Towers, 42nd floor, Tower 3, Abu Dhabi, UAE.

### 2 Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2020.

### 3 Significant accounting policies

The significant accounting policies, risk management principles, methods of computation and estimates applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in the preparation of the consolidated financial statements as at and for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### New and revised IFRSs effective in 2021

The Group has applied, for the first time, new standards and amendments in 2021, as stated below:

- Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The adoption of these standards have no material impact on the condensed consolidated financial statements of the Group.

#### Key sources of estimation uncertainty

On 11 March 2020, the World Health Organization made an assessment that the outbreak of a coronavirus (COVID-19) can be characterized as a pandemic. As a result, businesses have subsequently seen reduced customer traffic and, where governments mandated, temporary suspension of travel and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the UAE Government, Central Bank and other independent jurisdictions and regulators have taken measures and issued directives to support businesses and the UAE economy at large, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the UAE.

The situation, including the government and public response to the challenges, continue to progress and rapidly evolve. Therefore, the extent and duration of the impact of these conditions remain uncertain and depend on future developments that cannot be accurately predicted at this stage, and a reliable estimate of such an impact cannot be made at the date of approval of these financial statements. Notwithstanding, these developments could impact our future financial results, cash flows and financial position.

## Notes to the condensed consolidated financial statements (continued)

### 4 Fair values

#### a Fair value hierarchy

The Group uses the following hierarchy for determining the fair value of financial assets and liabilities by valuation technique:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs are unobservable for the asset or liability.

	31 March 2021 (Unaudited) AED '000				31 December 2020 (Audited) AED '000			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Financial assets at FVTPL</b>								
Investment in equity securities	1,646,405	1,646,405	-	-	1,366,559	1,366,559	-	-
Other investment in equity securities	963	-	-	963	963	-	-	963
Convertible preference shares	233,722	-	-	233,722	220,680	-	-	220,680
Investment in fixed income securities	4,201,459	4,201,459	-	-	4,422,913	4,422,913	-	-
Derivative assets	103,978	-	103,978	-	68,282	-	68,282	-
Reverse repurchase contracts	170,268	-	170,268	-	49,484	-	49,484	-
Unquoted fund	31,635	-	-	31,635	34,162	-	-	34,162
<b>Total</b>	<b>6,388,430</b>	<b>5,847,864</b>	<b>274,246</b>	<b>266,320</b>	<b>6,163,043</b>	<b>5,789,472</b>	<b>117,766</b>	<b>255,805</b>
<b>Financial liabilities</b>								
<b>Financial liabilities at FVTPL</b>								
Derivative liabilities	(33,589)	-	(33,589)	-	(29,907)	-	(29,907)	-
<b>Total</b>	<b>(33,589)</b>	<b>-</b>	<b>(33,589)</b>	<b>-</b>	<b>(29,907)</b>	<b>-</b>	<b>(29,907)</b>	<b>-</b>

There has been no transfers between Level 1 and Level 2 during the period.

## Notes to the condensed consolidated financial statements (continued)

### 4 Fair values (continued)

#### a Fair value hierarchy (continued)

As at the end of the reporting period, the Group held the following financial assets and liabilities at fair value:

	31 March 2021 (Unaudited) AED '000	31 December 2020 (Audited) AED '000	Fair value hierarchy	Valuation technique
<b>Financial assets at fair value through profit or loss</b>				
a Listed equity securities	1,646,405	1,366,559	Level 1	Quoted bid prices in an active market.
b Other investment in equity securities	963	963	Level 3	Valuation is based on Net Asset Values (NAV).
c Convertible preference shares	233,722	220,680	Level 3	Options model with unobservable inputs, mainly share price and market volatilities of the underlying shares
d Investment in listed fixed income securities	4,201,459	4,422,913	Level 1	Quoted bid prices in an active market.
e Reverse repurchase contracts	170,268	49,484	Level 2	The valuation is based on broker quotes.
f Derivative assets	103,978	68,282	Level 2	The valuation is based on broker quotes.
g Unquoted fund	31,635	34,162	Level 3	Valuation is based on Net Asset Values (NAV) of the fund calculated by the fund manager.
<b>Financial liabilities at fair value through profit or loss</b>				
a Derivative liabilities	(33,589)	(29,907)	Level 2	The valuation is based on broker quotes.

## Notes to the condensed consolidated financial statements (continued)

### 4 Fair values (continued)

#### a Fair value hierarchy (continued)

##### Reconciliation of level 3 fair value movements

	<b>Three-month period ended 31 March 2021 (Unaudited) AED '000</b>	Year ended 31 December 2020 (Audited) AED '000
At 1 January	255,805	34,980
Addition	-	180,222
Increase in fair value through profit or loss	10,515	40,603
	<b>266,320</b>	<b>255,805</b>

#### b Fair values of financial assets and liabilities measured at amortised cost

The fair values of financial assets and liabilities approximate their carrying amounts.

### 5 Non-controlling interests

During the period, the Group redeemed AED nil from Waha MENA Equity Fund SP (31 March 2020: AED nil) and non-controlling interest holders invested an amount of AED 11,343 thousand (31 March 2020: redeemed net amount of AED 12,746 thousand), resulting in a decrease in the Group's ownership from 67.7% to 67.5%; the Group invested net amount of AED nil from Waha CEEMEA Credit Fund SP (31 March 2020: AED 53,699 thousand) and non-controlling interest holders invested a net amount of AED 16,183 thousand (31 March 2020: AED 9,210 thousand), resulting in a decrease in the Group's ownership from 63.5% to 63.1%; the Group redeemed AED nil into Waha MENA Value Fund SP (31 March 2020: AED nil), and non-controlling interest holders redeemed AED nil (31 March 2020: AED 617 thousand); the Group invested in Waha Islamic Income Fund SP an amount of AED nil (31 March 2020: AED nil) and the Group's ownership is 100.0%.

### 6 Investment property

The movement of investment property is presented below:

	<b>Three-month period ended 31 March 2021 (Unaudited) AED '000</b>	Year ended 31 December 2020 (Audited) AED '000
At 1 January	715,989	717,140
Additions	545	7,542
Disposal	-	(8,693)
	<b>716,534</b>	<b>715,989</b>

The investment property is categorised into level 3 of the fair value hierarchy based on the inputs to the valuation technique accepted by the Royal Institute of Chartered Surveyors. The valuation, as of 31 March 2021 has been determined by management with reference to the valuation carried out on 31 December 2020, performed by an accredited independent appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. In estimating the fair value, the current use of the property was deemed to be its highest and best use.

During 2020, the Group entered into a Musatha agreement for sale of a serviced land. Total consideration for the transaction is AED 13,000 thousand which is payable in five installments until September 2023.

## Notes to the condensed consolidated financial statements (continued)

### 7 Loan investments

	<b>31 March 2021</b> <b>(Unaudited)</b> <b>AED '000</b>	31 December 2020 (Audited) AED '000
Loan to an equity accounted investee	<b>37,647</b>	45,003

During 2020, the Group provided an interest bearing loan amounting to AED 45,975 thousand at an interest rate of three-month Libor plus 6.5% to an equity accounted investment. The loan was rescheduled during the current period and the due date has been extended to 31 July 2021. As of 31 March 2021, the loan is a stage 2 asset (31 December 2020: stage 1 asset).

### 8 Investments in equity-accounted associates and joint ventures

The movement of investments in equity-accounted associates and joint ventures is presented below:

	<b>Three-month</b> <b>period ended</b> <b>31 March 2021</b> <b>(Unaudited)</b> <b>AED '000</b>	Year ended 31 December 2020 (Audited) AED '000
As at 1 January	472,076	524,552
Share of loss, net	(5,671)	(24,356)
Impairment loss	-	(9,915)
Share of equity reserves	(67)	(4,298)
Distributions received	(2,899)	(13,907)
	<b>463,439</b>	<b>472,076</b>

Investment in equity-accounted associates and joint ventures domiciled outside the UAE amount to AED 191,008 thousand (31 December 2020: AED 187,185 thousand).

## Notes to the condensed consolidated financial statements (continued)

### 9 Financial investments

	31 March 2021 (Unaudited) AED '000	31 December 2020 (Audited) AED '000
<b>Financial assets at fair value through profit or loss</b>		
Unquoted fund	31,635	34,162
Derivative assets <sup>1</sup>	103,978	68,282
Reverse repurchase contracts, net <sup>2</sup>	170,268	49,484
Listed fixed income securities <sup>3</sup>	4,201,459	4,422,913
Listed equity securities	1,646,405	1,366,559
Convertible preference shares <sup>4</sup>	233,722	220,680
Other investments	963	963
	<b>6,388,430</b>	<b>6,163,043</b>

<sup>1</sup>Derivative assets held by the Group include interest rate swaps, total return swaps, credit default swaps and currency futures and have a notional value of AED 21,624,820 thousand (31 December 2020: AED 9,297,584 thousand).

<sup>2</sup>Reverse repurchase contracts are shorted simultaneously. The carrying amounts presented are net of reverse repurchase receivables of AED 1,759,868 thousand and corresponding liabilities of AED 1,589,600 thousand (31 December 2020: reverse repurchase receivables of AED 1,781,496 thousand and corresponding liabilities of AED 1,732,012 thousand). The repurchase agreements are subject to a master netting agreement.

<sup>3</sup>Listed fixed income securities totalling AED 3,340,247 thousand (31 December 2020: AED 3,694,441 thousand) are pledged as security against the Group's borrowings under repurchase agreements.

<sup>4</sup>On 20 August 2020, the Group entered into a subscription agreement with Despegar.com, a NYSE-listed online travel company in Latin America to acquire 50,000 Series B Preferred Shares, without par value for an aggregate purchase price of \$50 million. The terms of the transaction include an option to the holder to convert each Series B Preferred Shares into 108.1081 common shares of Despegar.com. Series B Preferred Shares carry an annual dividend of 4% which is payable on a quarterly basis. The issuer also has an option to enforce conversion at any time from the third to seventh anniversary of the deal closing date, if for at least 10 consecutive trading days volume weighted average price of the common shares exceeds \$13.88 between third and fifth anniversary and \$12.49 between fifth and seventh anniversary. In addition, the issuer has right to redeem at any time on or after the seventh anniversary in cash. The Group paid net cash consideration of AED 180,222 thousand for the transaction which was closed on 21 September 2020. As of reporting date, the fair value of the instrument is estimated at AED 233,722 thousand (31 December 2020: AED 220,680 thousand).

## Notes to the condensed consolidated financial statements (continued)

### 10 Trade and other receivables

	<b>31 March 2021</b> <b>(Unaudited)</b> <b>AED '000</b>	31 December 2020 (Audited) AED '000
Trade receivables	310,973	184,364
Allowance for expected credit losses	(60,084)	(55,174)
	<b>250,889</b>	<b>129,190</b>
Prepayments and advances	16,532	8,304
Accrued interest	57,504	56,085
Amounts set aside for prior years dividends	37,893	37,931
Deposits under lien	1,028	1,028
Margin accounts	175,211	268,960
Other receivables	23,759	29,012
Allowance for expected credit losses on other receivables	(1,055)	(3,714)
	<b>561,761</b>	<b>526,796</b>

### 11 Cash and bank balances

	<b>31 March 2021</b> <b>(Unaudited)</b> <b>AED '000</b>	31 December 2020 (Audited) AED '000
Deposits held with banks	38,434	276,021
Cash at banks	558,686	428,481
Cash in hand	316	294
	<b>597,436</b>	<b>704,796</b>
Less: Allowance for expected credit losses	(114)	(112)
Cash and cash equivalents	<b>597,322</b>	<b>704,684</b>

### 12 Share capital and dividend

On 24 March 2021, the Company held its Annual General Meeting which, among other things, approved a cash dividend of AED 110,311 thousand representing AED 0.06 per share (22 March 2020: approved a cash dividend of AED nil).

The basic and diluted earnings / (loss) per share for the current period ended 31 March 2021 and 2020 has been calculated using the weighted average number of shares outstanding during the period after considering the effect of treasury shares.

	<b>31 March 2021</b> <b>(Unaudited)</b>	31 March 2020 (Unaudited)
<b>For the three month period ended</b>		
Profit / (loss) for the period attributable to Owners of the Company (AED '000)	<b>110,581</b>	(294,454)
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<b>1,838,508,714</b>	1,838,508,714

## Notes to the condensed consolidated financial statements (continued)

### 13 Borrowings

The movement in borrowings is presented below:

	<b>Three-month period ended 31 March 2021 (Unaudited) AED '000</b>	Year ended 31 December 2020 (Audited) AED '000
At 1 January	4,211,842	4,443,657
Loans drawn-down	185,029	893,649
Loan arrangement and prepaid interest costs, net of amortisations	77	314
Loans repaid	(326,007)	(1,125,778)
	<b>4,070,941</b>	<b>4,211,842</b>

The investments and assets pledged to lenders as security against various facilities are the Group's interests in the Group's shareholding in Al Waha Land LLC and investment in fixed income securities (refer to note 9).

During the period, an amount of AED 73,560 thousand was net drawn-down from the Group's existing US\$ 500 million secured revolving loan facility, and AED 8,648 thousand was drawn-down from the AED 378,000 thousand secured Murabaha-Ijara based financing for further development of its light industrial real estate project.

During the period, the Group's repurchase liabilities against its investment in fixed income securities decreased by AED 203,716 thousand.

### 14 Derivative liabilities

	<b>31 March 2021 (Unaudited) AED '000</b>	31 December 2020 (Audited) AED '000
<b>Financial liabilities at fair value through profit or loss</b>		
Other derivative liabilities <sup>1</sup>	33,589	29,907
	<b>33,589</b>	<b>29,907</b>

<sup>1</sup> Other derivative liabilities held by the Group represent interest rate swaps, total return swaps, credit default swaps, and currency futures, and have a notional value of AED 409,212 thousand (31 December 2020: AED 14,257,260 thousand).



## Notes to the condensed consolidated financial statements (continued)

### 15 Trade and other liabilities

	<b>31 March 2021 (Unaudited) AED '000</b>	31 December 2020 (Audited) AED '000
Trade payables	225,700	73,807
Interest accrued on borrowings	17,264	23,811
Dividends payable	37,896	37,935
Long term employee incentive plans accrual	36,216	42,417
Deferred income	14,167	14,975
Other payables and accruals <sup>1</sup>	196,191	145,083
	<b>527,434</b>	<b>338,028</b>

<sup>1</sup>Other payables and accruals include a provision for constructive obligation amounting to AED 37 million with respect to the Group's investment in one of its joint ventures. The joint venture is currently facing financial difficulties and has breached minimum capital requirements set by its regulator which warrants additional financial support from the Group. The provision is based on management's best estimate as of 31 March 2021 of the amount required to support the investee.

### 16 Leases

	<b>Right-of-use assets AED '000</b>	<b>Lease liabilities AED'000</b>
As at 1 January 2021	113,550	126,383
Depreciation expense	(3,617)	-
Interest expense	-	2,158
Payments	-	(3,451)
New leases	859	859
<b>As at 31 March 2021 (Unaudited)</b>	<b>110,792</b>	<b>125,949</b>
As at 1 January 2020	129,140	136,510
Depreciation expense	(13,915)	-
Interest expense	-	8,508
Payments	-	(16,960)
Reassessment of lease terms	(1,675)	(1,675)
<b>As at 31 December 2020 (Audited)</b>	<b>113,550</b>	<b>126,383</b>

### 17 Revenue from sale of goods and services

<b>Three month period ended 31 March</b>	<b>2021 (Unaudited) AED '000</b>	2020 (Unaudited) AED '000
Revenue	77,949	74,271
Cost of sales	(59,288)	(58,137)
Gross profit	<b>18,661</b>	16,134

Revenue and cost of sales of services are mainly attributable to the healthcare operations. Performance obligations relating to goods and services are satisfied at the point in time

All revenues are generated within UAE.

## Notes to the condensed consolidated financial statements (continued)

### 18 Income / (loss) from financial investments

#### Three month period ended 31 March

	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
<b>Financial assets at fair value through profit or loss</b>		
Net (loss) / gain from unquoted fund	(322)	32
Net gain from derivatives	92,802	85,024
Net gain / (loss) from listed fixed income securities	45,711	(159,180)
Net gain / (loss) from listed equity securities	72,555	(372,872)
Net gain from convertible preference shares	13,042	-
Others	-	103
	<b>223,788</b>	<b>(446,893)</b>

### 19 General and administrative expenses

#### Three month period ended 31 March

	2021 (Unaudited) AED '000			2020 (Unaudited) AED '000		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Staff costs	36,943	8,907	45,850	20,268	9,459	29,727
Legal and other professional expenses	1,028	2,896	3,924	688	2,195	2,883
Depreciation	823	2,159	2,982	844	2,443	3,287
Amortisation of intangible assets	74	27	101	103	35	138
Marketing expenses	358	1,134	1,492	259	991	1,250
Provision for expected credit losses	-	4,150	4,150	-	1,475	1,475
Others	2,233	4,601	6,834	2,380	4,671	7,051
	<b>41,459</b>	<b>23,874</b>	<b>65,333</b>	<b>24,542</b>	<b>21,269</b>	<b>45,811</b>

### 20 Finance cost, net

#### Three month period ended 31 March

	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
Interest on borrowings	21,097	29,361
Interest on lease liabilities	2,158	2,103
Amortisation of loan arrangement costs	77	77
Interest income from loan investments at amortised cost	(745)	(2,159)
Interest earned on time deposits	(272)	(1,782)
Unwinding of interest on disposal of investment property	(187)	-
	<b>22,128</b>	<b>27,600</b>

## Notes to the condensed consolidated financial statements (continued)

### 21 Related parties

#### Significant transactions with related parties recognised in the statement of profit or loss:

Key management personnel compensation

#### For the three month period ended 31 March

	2021 (Unaudited) AED '000	2020 (Unaudited) AED '000
Salary and benefits	2,217	2,103
End of service and other long term benefits	175	116
	<b>2,392</b>	<b>2,219</b>

#### Significant balances with related parties:

Loan investments provided to an equity accounted joint venture amounted to AED 37,647 as at 31 March 2021 (31 December 2020: AED 45,003 thousand). As at 31 March 2021, the loan has a gross balance of AED 38,619 thousand (31 December 2020: AED 45,975 thousand) and expected credit loss of AED 972 thousand (31 December 2020: AED 972 thousand). As of 31 March 2021, the loan is a stage 2 asset (31 December 2020: stage 1 asset).

### 22 Operating segments

#### *Private Investments*

The Private Investments segment holds all of the Group's proprietary investments in diversified industries including financial services, infrastructure, oil and gas, fintech, industrial real estate and healthcare.

#### *Asset Management - Capital Markets*

The Asset management- Capital Markets segment represents a platform to provide investors access to opportunities in equities and other asset management services.

#### *Corporate*

The corporate segment comprises the Group's activities, which are not allocated to reportable segments.

## Notes to the condensed consolidated financial statements (continued)

### 22 Operating segments (continued)

The following table presents revenue and profit information for the Group's operating segments for the three month period ended 31 March 2021 and 2020, respectively:

AED '000	Asset Management			
	Private Investments	Capital Markets	Corporate	Consolidated
<b>Three-month period ended 31 March 2021 (unaudited)</b>				
Revenue from sale of goods and services	77,949	-	-	77,949
Share of loss from equity-accounted associates and joint ventures, net	(5,671)	-	-	(5,671)
Income from financial investments	13,941	209,847	-	223,788
Income from investment property, net	11,670	-	-	11,670
Other income, net	1,484	24	-	1,508
Profit / (loss) for the period	13,427	192,860	(43,792)	162,495
Other comprehensive loss	(67)	-	-	(67)
<b>Three-month period ended 31 March 2020 (unaudited)</b>				
Revenue from sale of goods and services	74,271	-	-	74,271
Share of loss from equity-accounted associates and joint ventures, net	(278)	-	-	(278)
Income / (loss) from financial investments	16,222	(463,115)	-	(446,893)
Income from investment property, net	9,193	-	-	9,193
Other income, net	2,212	267	65	2,544
Profit / (loss) for the period	29,535	(483,120)	(27,882)	(481,467)
Other comprehensive loss	-	-	-	-

Segment income reported above represents income generated from external customers. There was no inter-segment income during the period (2020: AED nil).

The following table presents assets and liabilities information for the Group's operating segments as at 31 March 2021 and 31 December 2020, respectively:

AED '000	Asset Management			
	Private Investments	Capital Markets	Corporate	Consolidated
<b>As at 31 March 2021 (unaudited)</b>				
Segment assets	2,218,275	6,577,457	217,580	9,013,312
Segment liabilities	478,166	2,896,894	1,409,014	4,784,074
<b>As at 31 December 2020 (audited)</b>				
Segment assets	2,104,818	6,403,176	373,819	8,881,813
Segment liabilities	444,720	2,948,042	1,339,456	4,732,218