



أعزائي المساهمين،

إنه لمن دواعي سروري أن أقدم لكم البيانات المالية لشركة آسيا كابيتال للاستثمارات المالية لعام 2019.

استطعنا في عام 2019 تحقيق مستويات معقولة من الربحية تعكس الممارسات الناجحة في إعادة هيكلة العمل من خلال تقليل النفقات الزائدة وتحسين وضعية الأعمال لتحقيق النجاح طويل الأمد. لقد تحسنت ربحيتنا على مدار السنوات المتتالية السابقة، وخطط في الوقت الحالي للشروع في خطة استراتيجية طويلة الأجل من شأنها أن تضع الشركة في مضمار النمو المستمر والربحية المتسقة.

سيؤدي ما حدث مؤخراً من انتشار فيروس كوفيد-19 إلى عرقلة تقدمنا نوعاً ما، ولكننا عازمون على تجاوز هذه الأزمة بالصمود والمثابرة، ونستعد للخروج منها ونحن أقوى. فلدينا احتياطات نقدية كبيرة لدعم استراتيجية النمو الخاصة بنا، وزيادة مستويات الربحية في السنوات القادمة.

على الرغم من أن عام 2019 قد شهد نمواً مطرداً في أغلب الأسواق؛ إلا أن معظم تلك المكاسب قد أخذت اتجاهاً عكسياً في الأسابيع الأخيرة منه، ولا نتوقع التعافي من ذلك إلا مع حلول النصف الثاني من عام 2020.

تعرض الاقتصاد الهندي لتباطؤ كبير، الأمر الذي أدى إلى وقوع ضائقة مالية في قطاع العقارات والبنوك. ونحن نتوقع انتعاشاً بطيئاً للغاية وبالتالي فإننا نضع استثماراتنا في وضع منخفض المخاطر.

تتمتع شركة آسيا بمكانة جيدة للتعامل مع الأسواق غير المستقرة وتستطيع – من خلال احتياطاتها النقدية - الصمود في وجه أي ركود والاستفادة من التقييمات المنخفضة.



في عام 2019، استطاعت الشركة التي يبلغ رأسمالها المصرح به والمدفوع 80 مليون دينار كويتي، تحقيق إيرادات إجمالية بلغت 3.02 مليون دينار كويتي مقارنة بـ 2.51 مليون دينار كويتي في عام 2018. وقد نتج عن ذلك أرباحاً صافية بلغت 1.51 مليون دينار كويتي أي بواقع 1.94 فلساً ربحية للسهم الواحد في السنة مقارنة بـ 1.09 مليون دينار كويتي أرباحاً صافية و1.41 فلساً ربحية للسهم الواحد للعام المنتهي في 2018، مما أدى إلى تحقيق عائد على حقوق المساهمين بنسبة 2.08 في المئة خلال العام مقارنة بما نسبته 1.55 في المئة في العام السابق. وبلغت المصروفات العمومية والإدارية 0.65 مليون دينار كويتي لعام 2019 مقابل 0.48 مليون دينار كويتي لعام 2018. أما إجمالي الأصول فقد ارتفع إلى 73.49 مليون دينار كويتي في نهاية العام من 71.96 مليون دينار كويتي في نفس الفترة من العام الماضي بارتفاع نسبته 2.13 في المئة على مدار العام.

وختاماً، أود أن أعرب، بالنيابة عن أعضاء مجلس إدارة شركة آسيا كابيتال للاستثمار، وموظفيها، وبالأسالة عن نفسي، خالص امتناننا وتقديرنا لصاحب السمو أمير الكويت الشيخ صباح الأحمد الجابر الصباح، وسمو ولي العهد الشيخ / نواف الأحمد الجابر الصباح، وسمو رئيس مجلس الوزراء الشيخ صباح خالد الحمد الصباح، ولحكومتنا الرشيدة، على دعمهم المتواصل للمؤسسات والشركات الوطنية الكويتية، داعياً الله تعالى أن يمن على وطننا الحبيب، بنعمة السلامة والأمن والازدهار.

ضاري علي عبدالرحمن البدر

رئيس مجلس الإدارة

**ASIYA CAPITAL INVESTMENTS
COMPANY K.S.C.P. AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)**

30 SEPTEMBER 2020



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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF ASIYA CAPITAL INVESTMENT COMPANY K.S.C.P

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Asiya Capital Investment Company K.S.C.P. ("the Parent Company") and its subsidiaries (collectively, the "Group") as at 30 September 2020, and the related interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of comprehensive income for the three-months and nine-months periods then ended and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-months period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated 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, it 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 interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the nine-months period ended 30 September 2020 that might have had a material effect on the business of the Parent Company or on its financial position

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, or of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations during the nine-months period ended 30 September 2020 that might have had material effect on the business of the Parent Company or on its financial position.

BADER A. AL-ABDULJADER
LICENSE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

12 November 2020
Kuwait

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the period ended 30 September 2020

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2020	2019	2020	2019
		KD	KD	KD	KD
INCOME					
Net gain (loss) on financial assets at fair value through profit or loss	3	272,247	218,745	(1,256,012)	421,905
Management and advisory fees		-	-	51,911	52,245
Interest income		132,889	146,799	410,380	435,656
Net foreign exchange differences		(24,045)	(13,868)	(24,045)	(13,098)
Other income	4,5	2,283,549	-	2,283,549	35,000
TOTAL INCOME		2,664,640	351,676	1,465,783	931,708
EXPENSES					
Staff costs		(204,559)	(187,152)	(591,490)	(541,221)
General and administrative expenses		(118,858)	(144,156)	(244,413)	(328,869)
TOTAL EXPENSES		(323,417)	(331,308)	(835,903)	(870,090)
PROFIT FOR THE PERIOD BEFORE TAX		2,341,223	20,368	629,880	61,618
National Labour Support Tax (NLST)		(15,747)	(1,259)	(15,747)	(2,290)
Zakat		(6,299)	(503)	(6,299)	(916)
PROFIT FOR THE PERIOD		2,319,177	18,606	607,834	58,412
BASIC AND DILUTED EARNINGS PER SHARE	6	2.99 fils	0.02 fils	0.78 fils	0.08 fils

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 September 2020

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	2020	2019	2020	2019
	KD	KD	KD	KD
Profit for the period	2,319,177	18,606	607,834	58,412
Other comprehensive (loss) income				
<i>Other comprehensive (loss) income that may be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	(4,593)	(63)	(12,488)	761
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,314,584	18,543	595,346	59,173

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(UNAUDITED)

As at 30 September 2020

		<i>30 September</i> <i>2020</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2019</i> <i>KD</i>	<i>30 September</i> <i>2019</i> <i>KD</i>
ASSETS				
Cash and short-term deposits	7	15,423,429	19,992,102	20,145,430
Investment securities	8	58,291,245	52,892,266	51,240,004
Other assets		414,184	607,847	421,725
TOTAL ASSETS		<u>74,128,858</u>	<u>73,492,215</u>	<u>71,807,159</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Other liabilities		1,274,137	1,232,840	997,895
EQUITY				
Share capital		80,000,000	80,000,000	80,000,000
Statutory reserve		3,033,567	3,033,567	3,033,567
General reserve		526,317	526,317	526,317
Treasury shares	9	(1,698,775)	(1,698,775)	(1,698,775)
Foreign currency translation reserve		10,417	22,905	20,829
Accumulated losses		(9,016,805)	(9,624,639)	(11,072,674)
TOTAL EQUITY		<u>72,854,721</u>	<u>72,259,375</u>	<u>70,809,264</u>
TOTAL LIABILITIES AND EQUITY		<u>74,128,858</u>	<u>73,492,215</u>	<u>71,807,159</u>


Dari Ali Abdul Rahman Al-Bader
Chairman


Saud Abdul Rahman Mubarak AlQaoud
Board Member

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2020

	<i>Share capital KD</i>	<i>Statutory reserve KD</i>	<i>General reserve KD</i>	<i>Treasury shares KD</i>	<i>Foreign currency translation reserve KD</i>	<i>Accumulated losses KD</i>	<i>Total KD</i>
As at 1 January 2020	80,000,000	3,033,567	526,317	(1,698,775)	22,905	(9,624,639)	72,259,375
Profit for the period	-	-	-	-	-	607,834	607,834
Other comprehensive loss for the period	-	-	-	-	(12,488)	-	(12,488)
Total comprehensive loss for the period	-	-	-	-	(12,488)	607,834	595,346
As at 30 September 2020	80,000,000	3,033,567	526,317	(1,698,775)	10,417	(9,016,805)	72,854,721
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
As at 1 January 2019	80,000,000	3,033,567	526,317	(1,698,775)	20,068	(11,131,086)	70,750,091
Profit for the period	-	-	-	-	-	58,412	58,412
Other comprehensive income for the period	-	-	-	-	761	-	761
Total comprehensive income for the period	-	-	-	-	761	58,412	59,173
At 30 September 2019	80,000,000	3,033,567	526,317	(1,698,775)	20,829	(11,072,674)	70,809,264

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

For the period ended 30 September 2020

	Notes	Nine months ended 30 September	
		2020 KD	2019 KD
OPERATING ACTIVITIES			
Profit before tax		629,880	61,618
<i>Adjustments to reconcile (loss) profit before tax to net cash flows:</i>			
Net loss (gain) on financial assets at fair value through profit or loss	3	1,256,012	(421,905)
Interest income		(410,380)	(435,656)
Other income		(2,283,549)	(35,000)
Employees' end of service benefits		45,766	(30,000)
		<u>(762,271)</u>	<u>(860,943)</u>
<i>Working capital adjustments:</i>			
Investment securities		(4,386,525)	(3,908,816)
Other assets		(238,583)	(31,694)
Other liabilities		(4,469)	(118,451)
		<u>(5,391,848)</u>	<u>(4,919,904)</u>
Cash flows used in operations		(5,391,848)	(4,919,904)
Interest income received		420,580	460,983
Receipt of government grants	5	2,595	-
		<u>(4,968,673)</u>	<u>(4,458,921)</u>
Net cash flows used in operating activities			
INVESTING ACTIVITIES			
Proceeds from disposal of investment	4	400,000	3,500,000
Net movement in term deposits with original maturities exceeding three months		(250,000)	-
		<u>150,000</u>	<u>3,500,000</u>
Net cash flows from investing activities			
FINANCING ACTIVITIES			
Dividends paid		-	(31,139)
		<u>-</u>	<u>(31,139)</u>
Net cash flows used in financing activities			
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Net foreign exchange differences		-	761
Cash and cash equivalents at 1 January		16,992,102	19,134,729
		<u>16,992,102</u>	<u>19,134,729</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER			
	7	<u>12,173,429</u>	<u>18,145,430</u>
NON-CASH ITEMS			
Fair value of share acquired in in-kind settlement on disposal of investment	4	1,880,954	-
		<u>1,880,954</u>	<u>-</u>

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Asiya Capital Investments Company K.S.C.P. (the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the nine months ended 30 September 2020 was authorised for issue in accordance with a resolution of the Parent Company’s Board of Directors on ---- 2020. The Parent Company is a public shareholding company, incorporated and domiciled in the State of Kuwait, and whose shares are publicly traded in Boursa Kuwait. The Parent Company is regulated by the Central Bank of Kuwait (“CBK”) and Capital Markets Authority (“CMA”) as a financing and an investment company, respectively.

The Parent Company is an investment entity; therefore, it holds its investments in subsidiaries at fair value rather than consolidating them. Investments in subsidiaries are classified as fair value through profit or loss in accordance with IFRS 9.

The Group is principally engaged in investment activities and related financial services. The Parent Company’s registered office is at KIPCO Tower, 31st Floor, Khalid Bin Al Waleed Street, Sharq, Kuwait.

The shareholders of the Parent Company at the annual general assembly meeting (“AGM”) held on 29 June 2020 approved the consolidated financial statements for the year ended 31 December 2019. No dividends were declared by the Parent Company.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group for the nine months ended has been prepared in accordance with IAS 34 “*Interim Financial Reporting*”, except below

The interim condensed consolidated financial information for the nine months ended 30 September 2020 is prepared in accordance with the regulations issued by the Central Bank of Kuwait (“CBK”) for financial services institutions in the State of Kuwait. These regulations require the expected credit loss (“ECL”) on credit facilities to be measured at the higher of the amount computed under IFRS 9 in accordance to the CBK guidelines or the provisions as required by CBK instructions; the consequent impact on related disclosures; and the adoption of all other requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (“IASB”) (collectively referred to as IFRS, as adopted for use by the State of Kuwait).

The interim condensed consolidated financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2019.

2.2 Summary of accounting policies for new transactions and events

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.3 New standards, interpretations, and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of new standards effective as of 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the interim condensed consolidated financial statements of the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.3 New standards, interpretations, and amendments adopted by the Group (continued)

Amendments to IFRS 3: *Definition of a Business*

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations.

Amendments to IFRS 7, IFRS 9 and IAS 39: *Interest Rate Benchmark Reform*

The amendments to IFRS 9 *Financial Instruments* and IAS 39 *Financial Instruments: Recognition and Measurement* provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the interim condensed consolidated financial information of the Group as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8: *Definition of Material*

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the interim condensed consolidated financial information of, nor is there expected to be any future impact to the Group.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the interim condensed consolidated financial information of the Group.

Amendments to IFRS 16 *COVID-19 Related Rent Concessions*

On 28 May 2020, the IASB issued *COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases*. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no material impact on the interim condensed consolidated financial information of the Group.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

3 NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>	<i>KD</i>
Realised	-	-	-	104,802
Unrealised	272,247	218,745	(1,256,012)	317,103
	272,247	218,745	(1,256,012)	421,905

4 OTHER INCOME

During the period, the Group entered into a dispute settlement agreement with an external party, resulting in disposal of a local investment held by the Group, which had been fully written off in prior years. The Group received a cash settlement of KD 400,000 and share of existing foreign investments, as in-kind settlement, amounting to KD 1,880,954. Accordingly, resulting in a total gain of KD 2,280,954 upon settlement.

5 GOVERNMENT GRANT

In an attempt to mitigate the impact of the COVID-19 pandemic, the Government of Kuwait has introduced measures to aid private entities. These measures include government assistance made towards national workforce in the private sector for a period of up to six months effective from April 2020.

During the period, the Parent Company has received financial support amounting to KD 2,595, which is accounted for in accordance with IAS 20 'Accounting for Government Grants and Disclosures of Government Assistance' and is recognised in profit or loss as 'other income' on a systematic basis over the periods in which the Parent Company recognises expenses for the related staff costs.

6 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period less treasury shares. Diluted EPS is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
Profit for the period (KD)	2,319,177	18,606	607,834	58,412
Weighted average number of shares outstanding (shares)	776,440,000	776,440,000	776,440,000	776,440,000
Basic and diluted EPS	2.99 fils	0.02 fils	0.78 fils	0.08 fils

There have been no transactions involving ordinary shares between the reporting date and the date of authorisation of this interim condensed consolidated financial information which would require the restatement of EPS.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

7 CASH AND SHORT-TERM DEPOSITS

For the purpose of interim condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	<i>30 September 2020</i>	<i>31 December 2019</i>	<i>30 September 2019</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
Cash at bank and on hand	761,836	640,608	825,688
Short-term deposits*	14,250,000	19,000,000	19,000,000
Cash held with foreign financial institutions**	411,593	351,494	319,742
Cash and short-term deposits	15,423,429	19,992,102	20,145,430
Deposits with original maturities exceeding three months*	(3,250,000)	(3,000,000)	(2,000,000)
Cash and cash equivalents	12,173,429	16,992,102	18,145,430

* Short term deposits are placed for varying periods, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Term deposits earn interest ranging from 1% to 3.20% per annum (31 December 2019: 2.80% to 3.20% and 30 September 2019: 2.78% to 3.25%).

** Balances with foreign financial institutions represent non-interest-bearing current accounts held with foreign commercial banks.

8 INVESTMENT SECURITIES

	<i>(Audited)</i>		
	<i>30 September 2020</i>	<i>31 December 2019</i>	<i>30 September 2019</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>Financial assets designated at fair value through profit or loss:</i>			
Foreign funds	11,778	11,778	12,216
Private equity funds	5,864,407	5,372,487	5,617,222
Hybrid securities	344,382	3,862,914	2,993,303
Investment in subsidiaries*	52,070,678	43,645,087	42,617,263
	58,291,245	52,892,266	51,240,004

* During the period, the Group increased its investment in a subsidiary by providing additional capital amounting to KD 3,277,911 (31 December 2019: KD 5,761,636 and 31 September 2019: KD 5,624,131). Further, the Group's investment in another foreign subsidiary increased by KD 1,652,229, through an increase in its existing ownership interest, upon dispute settlement with an external party.

Private equity funds (comprising mainly unquoted securities) are measured based on their latest net asset values (NAVs) provided by the respective fund managers. Management assessed that the reported NAVs approximate fair value.

Hybrid securities represents investment in a convertible bond, which is convertible into equity shares at the option of the Parent Company.

The Group is principally involved with structured entities through investments in subsidiaries, sponsoring structured entities that provide specialised investment opportunities. Structured entities are generally used by the Group to manage the investments made by the Group in real estate properties and equity instruments. These structured entities are financed through the issue of debt and equity instruments.

The hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques is presented in Note 12.

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

9 TREASURY SHARES

	<i>30 September</i> <i>2020</i>	<i>(Audited)</i> <i>31 December</i> <i>2019</i>	<i>30 September</i> <i>2019</i>
Number of treasury shares	23,560,000	23,560,000	23,560,000
Percentage of capital	2.945%	2.945%	2.945%
Market value (KD)	806,459	833,082	806,459
Cost – KD	1,698,775	1,698,775	1,698,775

Reserves equivalent to the cost of the treasury shares held are not available for distribution during the holding period of such shares as per CMA guidelines.

10 RELATED PARTY DISCLOSURES

Related parties represent managed funds, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management.

For the period ended 30 September 2020, there were no transactions with related parties included in the interim condensed consolidated statement of profit or loss (30 September 2019: Nil).

The following table provides the balances with related parties as at 30 September 2020, 31 December 2019 and 30 September 2019.

	<i>Subsidiary</i> <i>KD</i>	<i>30 September</i> <i>2020</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2019</i> <i>KD</i>	<i>30 September</i> <i>2019</i> <i>KD</i>
Statement of financial position:				
Other assets	37,393	37,393	37,148	35,166

Key management personnel

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. The aggregate value of transactions related to key management personnel were as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2020</i> <i>KD</i>	<i>2019</i> <i>KD</i>	<i>2020</i> <i>KD</i>	<i>2019</i> <i>KD</i>
Salaries and short-term benefits	42,547	42,547	127,640	127,640
Employees' end of service benefits	3,545	3,545	10,636	10,636
	46,092	46,092	138,276	138,276

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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11 SEGMENT INFORMATION

A segment is distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products and services within a particular economic environment (geographic segment), which is subject to risks and rewards that are different from those of other segments.

For management purposes, the Group is organised into four geographical segments based on the location of assets: Kuwait, India, Pan Asia and Cayman Islands. This is the basis on which the Group reports its segment information.

The following table presents revenue, results information, assets and liabilities information for the Group's reportable segments.

	<i>Kuwait</i> <i>KD</i>	<i>India</i> <i>KD</i>	<i>Pan Asia</i> <i>KD</i>	<i>Cayman Islands</i> <i>KD</i>	<i>Total</i> <i>KD</i>
30 September 2020					
Net (loss) gain on financial assets at fair value through profit or loss	-	(1,623,285)	(447,744)	815,017	(1,256,012)
Management and advisory fees	-	-	51,911	-	51,911
Interest income	334,262	-	76,118	-	410,380
Net foreign exchange differences	(24,045)	-	-	-	(24,045)
Other income	2,283,549	-	-	-	2,283,549
Total income	2,593,766	(1,623,285)	(319,715)	815,017	1,465,783
Staff costs	(467,822)	-	(123,668)	-	(591,490)
General and administrative expenses	(166,051)	-	(31,946)	(46,416)	(244,413)
Taxation	(22,046)	-	-	-	(22,046)
Total expenses	(655,919)	-	(155,614)	(46,416)	(857,949)
Profit (loss) for the period	1,937,847	(1,623,285)	(475,329)	768,601	607,834
Segment assets	15,601,651	31,497,681	26,051,859	977,667	74,128,858
Segment liabilities	1,230,024	-	36,666	7,447	1,274,137

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

11 SEGMENT INFORMATION (continued)

	<i>Kuwait KD</i>	<i>India KD</i>	<i>Pan Asia KD</i>	<i>Cayman Islands KD</i>	<i>Total KD</i>
<i>30 September 2019</i>					
Net gain on financial assets at fair value through profit or loss	-	(225,458)	964,549	(317,186)	421,905
Management and advisory fees	-	-	52,245	-	52,245
Interest income	432,048	-	-	3,608	435,656
Net foreign exchange differences	(13,098)	-	-	-	(13,098)
Other income	35,000	-	-	-	35,000
Total income	<u>453,950</u>	<u>(225,458)</u>	<u>1,016,794</u>	<u>(313,578)</u>	<u>931,708</u>
Staff costs	(428,719)	-	(104,700)	(7,802)	(541,221)
General and administrative expenses	(142,704)	-	(119,879)	(66,286)	(328,869)
Total expenses	<u>(571,423)</u>	<u>-</u>	<u>(224,579)</u>	<u>(74,088)</u>	<u>(870,090)</u>
(Loss) profit before tax	<u>(117,473)</u>	<u>(225,458)</u>	<u>792,215</u>	<u>(387,666)</u>	<u>61,618</u>
Segment assets	<u>20,337,360</u>	<u>32,320,816</u>	<u>18,099,691</u>	<u>1,049,292</u>	<u>71,807,159</u>
Segment liabilities	<u>980,652</u>	<u>-</u>	<u>9,244</u>	<u>7,999</u>	<u>997,895</u>
<i>31 December 2019</i>					
Segment assets	<u>20,428,441</u>	<u>30,306,984</u>	<u>21,781,303</u>	<u>975,487</u>	<u>73,492,215</u>
Segment liabilities	<u>1,212,534</u>	<u>-</u>	<u>11,246</u>	<u>9,060</u>	<u>1,232,840</u>

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

12 FAIR VALUE MEASUREMENT

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The following table provides the fair value measurement hierarchy of the Group's financial instruments as at the reporting date:

	<u>Fair value measurement using Significant unobservable inputs (Level 3) KD</u>
30 September 2020	
Assets measured at fair value	
<i>Financial assets designated at fair value through profit or loss:</i>	
Foreign funds	11,778
Private equity funds	5,864,407
Hybrid securities	344,382
Investment in subsidiaries	52,070,678
	<u>58,291,245</u>
31 December 2019	
Assets measured at fair value	
<i>Financial assets designated at fair value through profit or loss:</i>	
Foreign funds	11,778
Private equity funds	5,372,487
Hybrid securities	3,862,914
Investment in subsidiaries	43,645,087
	<u>52,892,266</u>
30 September 2019	
Assets measured at fair value	
<i>Financial assets designated at fair value through profit or loss:</i>	
Foreign funds	12,216
Private equity funds	5,617,222
Hybrid securities	2,993,303
Investment in subsidiaries	42,617,263
	<u>51,240,004</u>

Asiya Capital Investments Company K.S.C.P. and Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

12 FAIR VALUE MEASUREMENT (continued)

Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy:

	<i>At 1 January 2020 KD</i>	<i>Remeasurement gain / (loss) recognised in profit or loss KD</i>	<i>Net (sales) purchases and settlement KD</i>	<i>At 30 September 2020 KD</i>
30 September 2020				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Foreign funds	11,778	-	-	11,778
Private equity funds	5,372,487	397,317	94,603	5,864,407
Hybrid securities	3,862,914	(3,518,532)	-	344,382
Investment in subsidiaries	43,645,087	1,865,203	6,560,388	52,070,678
	<u>52,892,266</u>	<u>(1,256,012)</u>	<u>6,654,991</u>	<u>58,291,245</u>
31 December 2019				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Foreign funds	16,829	227	(5,278)	11,778
Private equity funds	6,589,653	(594,975)	(622,191)	5,372,487
Hybrid security	7,868,913	(2,490,999)	(1,515,000)	3,862,914
Investment in subsidiaries	32,433,888	5,400,221	5,810,978	43,645,087
	<u>46,909,283</u>	<u>2,314,474</u>	<u>3,668,509</u>	<u>52,892,266</u>
30 September 2019				
Assets measured at fair value				
<i>Financial assets at fair value through profit or loss:</i>				
Foreign funds	16,829	665	(5,278)	12,216
Private equity funds	6,589,653	(835,720)	(136,711)	5,617,222
Hybrid securities	7,868,913	(3,360,610)	(1,515,000)	2,993,303
Investment in subsidiaries	32,433,888	4,512,768	5,670,607	42,617,263
	<u>46,909,283</u>	<u>317,103</u>	<u>4,013,618</u>	<u>51,240,004</u>

During the period, there have been no transfers between the fair value hierarchy.

Management assessed that fair value of other financial instruments approximates their carrying amounts due to the short-term nature maturity of these instruments.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 September 2020

12 FAIR VALUE MEASUREMENT (continued)

Description of significant unobservable inputs to valuation of financial assets:

Foreign funds and private equity funds are valued based on the net asset value method using the latest available financial statement of the investee entity, wherein the underlying assets are fair valued and adjusted for lack of marketability discount (DLOM).

Set out below are the significant unobservable inputs to valuation as at 30 September 2020:

	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>	<i>Range</i>	<i>Sensitivity of the input to fair value</i>
Private equity funds	NAV based on the market value of the underlying assets	Discount for lack of marketability	5%	5% increase (decrease) in the discount would result in a (decrease) increase in fair value by KD 293,220
Investment in subsidiaries	NAV based on the market value of the underlying assets	Discount for lack of marketability	12%-31%	5% increase (decrease) in the discount would result in a (decrease) increase in fair value by KD 3,219,559

Discount for the lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

13 CONTINGENT LIABILITIES

As at 30 September 2020, the Group has provided an irrevocable corporate guarantee amounting to KD 1,041,300 (equivalent of INR 250,000,000) (31 December 2019: KD 1,066,098 and 30 September 2019: KD 1,104,831) for which no material liabilities are expected to arise.

14 IMPACT OF COVID-19

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity and the Group's business in various significant ways.

The currently known impact of COVID-19 on the Group is the fair value decrease in investment securities for the period by 2% since 31 December 2019, mainly due to deterioration in financial markets.

In addition to the already known effects of the COVID-19 outbreak and resulting government measures, the macroeconomic uncertainty causes disruption to economic activity, and it is unknown what the longer term impact on the Group's business may be. The COVID-19 virus can evolve in various directions. If society, and as a consequence business, is exposed to COVID-19 for a longer period of time, this may result in prolonged negative results and pressure on the Group's liquidity.

Depending on the duration of the COVID-19 crisis and continued negative impact on economic activity, the Group may experience further negative results, liquidity restraints and incur additional impairments on its assets in 2020. Given the ongoing economic uncertainty, the exact impact on the Group's activities in the remainder of 2020 and thereafter cannot be predicted at this stage.

This note describes the impact of the outbreak on the Group's operations and the significant estimates and judgements applied by management in assessing the values of assets and liabilities as at 30 September 2020.

14.1 Risk management

The management is monitoring and reassessing the risk management objectives and policies based on the current updates on COVID-19. For the period ended 30 September 2020, there were no significant changes to the risk management objectives and policies as compared to the audited consolidated financial statements as at 31 December 2019.

14 IMPACT OF COVID-19 (continued)

14.1 Risk management (continued)

14.1.1 Credit risk

The Group has concluded that it is not significantly exposed to credit risk as a result of the outbreak as its financial assets constitute cash and short-term deposits. While cash and cash equivalents are subject to the impairment requirements of IFRS 9, management determined that the identified impairment loss was immaterial as these balances are mostly held with counterparties with appropriate credit-ratings assigned by international credit-rating agencies.

14.1.2 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

- ▶ Day to day funding is managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature.
- ▶ Maintaining rolling forecasts of the Group's overall liquidity position on the basis of expected cash flows.

The Group expects a significantly adverse impact on its liquidity due to COVID-19 outbreak. Management has taken several steps in protecting cash flows through compensating cost saving measures and reductions to discretionary capital expenditure. Further, the Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities.

14.2 Use of estimates and assumptions

The Group based its assumptions and estimates on parameters available when the interim condensed consolidated financial information is prepared. The COVID-19 outbreak has created uncertainty for revenue forecasts, sourcing and workforce availability, credit ratings, etc. but also volatility in stock prices, interest and currency exchange rates. Estimates based on such metrics may be subject to change due to market changes in the near term or circumstances arising that are beyond the control of the Group.

Information about key assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets in the next reporting period is described below:

Fair value measurement of financial instruments

The Group has considered potential impact of the current market volatility in determination of the reported amounts of the Group's unquoted financial assets, and this represents management's best assessment based on observable available information as at the reporting date. Given the impact of COVID 19, the Group reviewed the fair valuation of unquoted financial assets on account of changes in the key estimates and the assumptions used by the management and the reliability of the data that was used as input to these models, comparing the models used with prior years. During the period ended 30 September 2020, the Group has recorded an unrealized loss of KD 1,256,012 on investment securities.

Further information on the Group's policy in relation to fair value measurements is disclosed in Notes 2.4 to the annual consolidated financial statements as at and for the year ended 31 December 2019.

14.3 Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital, and liquidity. The impact of COVID-19 may continue to evolve, but at the present time, the projections show that the Group has ample resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2019. As a result, the interim condensed consolidated financial information has been appropriately prepared on a going concern basis.

