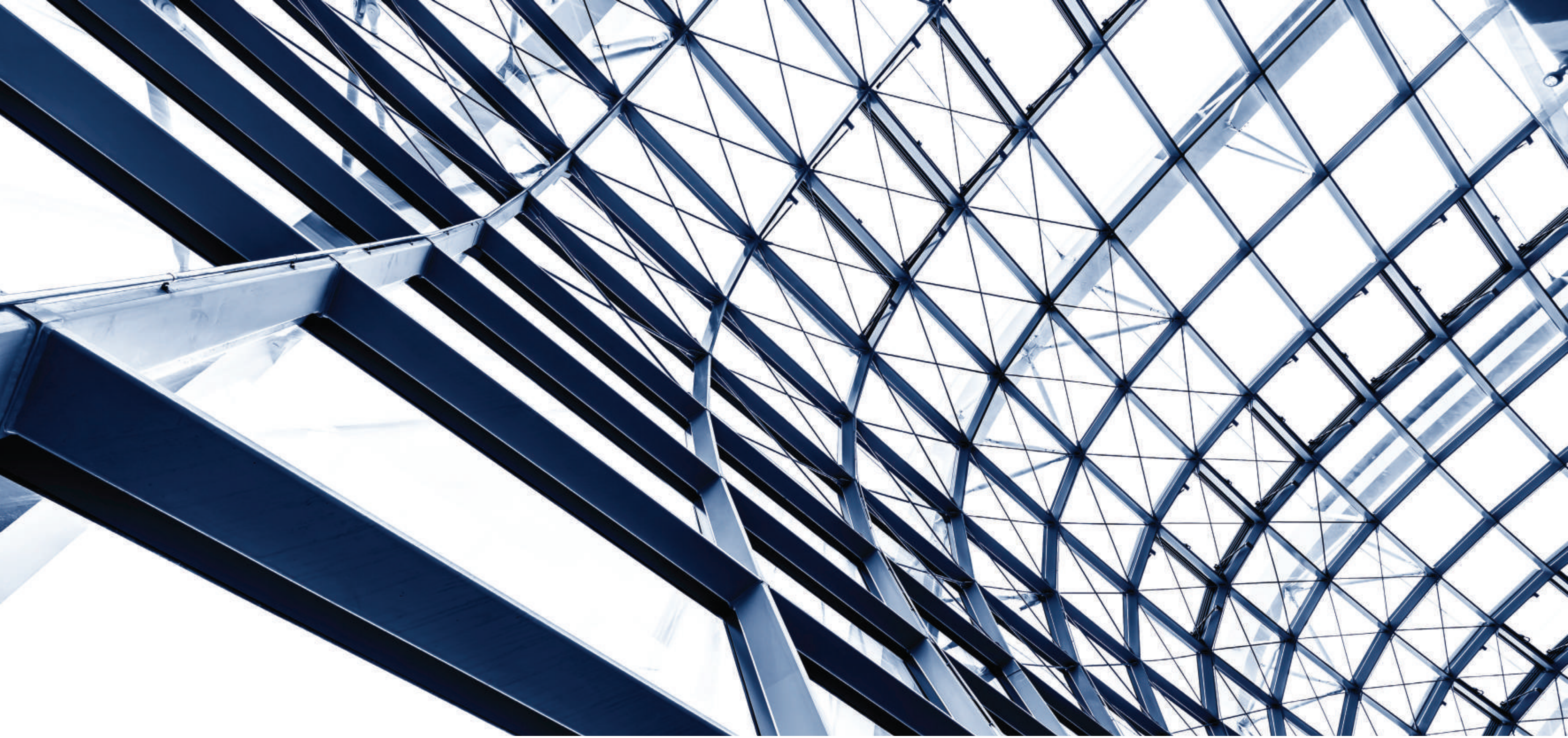


BOARD OF DIRECTORS' REPORT

AND CONSOLIDATED FINANCIAL STATEMENTS

2019

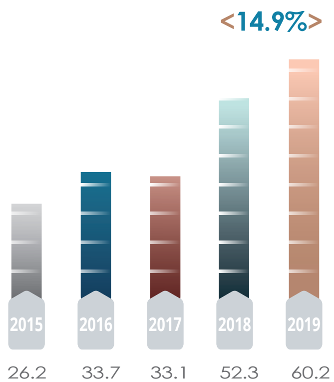
GLOBAL EXPERTS IN SHARIA'H COMPLIANT ALTERNATIVE INVESTMENTS

Sidra Capital is a CMA regulated Sharia'h compliant asset manager that specialises in alternative investments. The company focuses on income generating real estate investment and private finance strategies. Established in 2009 and headquartered in Saudi Arabia, Sidra Capital has offices in Jeddah and Riyadh, and a subsidiary in London, providing a truly global outlook and reach.

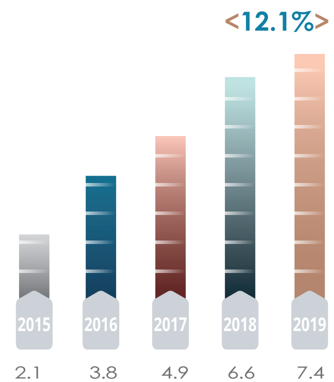
- CMA regulated / established in 2009
- Focused on real estate and private finance
- Shari'ah compliant asset manager that specialises in alternative investments
- Total Assets Under Management "AUM" of USD 2bn spanning across 18 locations

Jeddah | Riyadh | London

WE ACHIEVED STEADY GROWTH THROUGH OUR ABILITY TO CAPITALISE ON CHANGING MARKET CONDITIONS

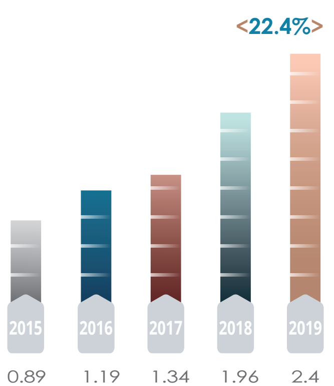


Revenue
SAR million

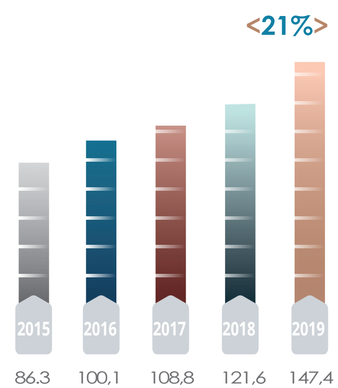


Assets Under Management
SAR billion

Net Income Before Zakat
SAR million



Earnings Per Share
Saudi Arabian riyals



Total Assets
SAR million

Total Liabilities
SAR million

ASSETS UNDER MANAGEMENT
USD billion

2bn

CURRENT AUM IN REAL ESTATE
USD billion

1.7bn

REVIEW OF ACTIVITIES

BUSINESS REVIEW

CHANCERY LANE - London, UK

BUSINESS HIGHLIGHTS

- Grew our AUM to record high of

US$2 billion

- UK portfolio increased post Brexit by

6,6%

- Acquired seven different student housing properties and 30 industrial assets in the United States.

- Won six prestigious local and international awards and accolades, reinforcing our leadership position in the asset management industry.

OUTLOOK

For the next few years, Sidra Capital will continue to expand its operations through the following:

- Real estate development in Saudi Arabia.

- Sharia compliant private finance.

- Real estate income generating in mature markets including US, UK and Europe.

- Selective Private Equity (fund of funds).

REAL ESTATE
United States

2019 marked a strong year for transactions, with almost $350m in acquisitions completed.

Acquisitions

• Acquired seven different student housing properties consisting of 2,058 beds located in 6 well established areas of the United States.

• US is the world's largest student-housing market, attracting the highest volume of investment capital each year and reached USD 11b in 2019, more than tripling in size since 2014.

• Acquired 30 fully occupied mission-critical industrial assets portfolio. The portfolio tenants consisted of strong mid-market and large companies with a WAULT of 13.6 years and was our largest real estate acquisition to-date.

• Compared with other product types, industrial properties are less capital-intensive, have not historically experienced highs and lows in rental rates and values, and remain a relatively stable and predictable asset class.

US STUDENT HOUSING PORTFOLIO

US NET LEASED INDUSTRIAL PORTFOLIO

7
SEPARATE STUDENT HOUSING ASSETS

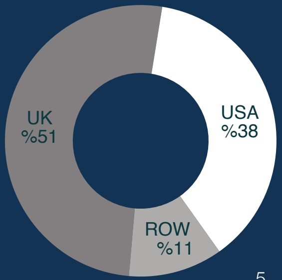
30
FULLY OCCUPIED MISSION CRITICAL INDUSTRIAL ASSETS PORTFOLIO

$350m
ACQUISITIONS COMPLETED IN 2019

50 Assets
TOTAL ACQUISITIONS

$779m
TOTAL ACQUISITIONS

CURRENT GEOGRAPHICAL ALLOCATION (BY VALUE)



REAL ESTATE

United Kingdom

During 2019, the UK real estate market was dominated by the political and economic turmoil created by Brexit and the general election. In light of such uncertainty, the focus for Sidra Capital in the UK was on value added activities of our existing portfolio.

Value Added Activities

• **Kinnaird House (London):** Planning permission obtained for a change of use from offices to hotel in order to provide optionality while three new tenants were secured for the office space, including the New Zealand High Commission.

• **Hilton Regional HQ (Watford):** Refinanced the existing financing facility to extend the term and at lower financing rate following the removal of the tenant's break option. In addition, the tenant is well advanced in their c. £10m refurbishment program, which should further enhance the appeal of the asset.

• **Great Western Retail Park (Glasgow):** Terms were agreed with a national food and drink operator for a new unit and promotional and re-branding activities were undertaken to maximise the park's exposure.

• **Crossdock 252 (Huntingdon Cambridgeshire):** A £2m capex programme was initiated to improve a logistics unit to enhance the marketability of the property. This is due to complete at the end of Q1 2020.

Acquisition

• At Great Western Retail Park in Glasgow, the neighbouring **Sainsbury's and Pets at Home** stores were acquired to consolidate the holding and enhance the credit worthiness of the security package.

SAINSBURY'S, GLASGOW, UK

Sainsbury's and Pets at Home acquired in 2019

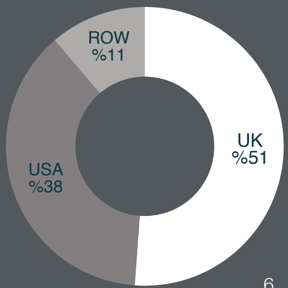
20 Assets

TOTAL ACQUISITIONS

£ 923m

TOTAL ACQUISITIONS

CURRENT GEOGRAPHICAL ALLOCATION (BY VALUE)



REAL ESTATE
Saudi Arabia

• In Saudi Arabia, Eden Residence, our prime residential real estate development in Jeddah, was fully operational in 2019 offering 58 residential units and 12 retail outlets.

• The project's unique concept is to address evolving consumer trends and provides value-added amenities and services that cater to the modern Saudi lifestyle.

• Eden Residence is an innovative, vertically integrated lifestyle concept that combines the exclusivity of compound living with the vibrancy of city centre life.

58	**12**	**100%**	**82%**	**9.2/10**	**4.5**
RESIDENTIAL UNITS	RETAIL OUTLETS	RETAIL (LEASED)	RESIDENTIAL & APARTHOTEL OCCUPANCY	BOOKING.COM RATING Booking.com	GOOGLE REVIEWS Google

EDEN

SHARI'AH COMPLIANT PRIVATE FINANCE

• The popularity of private finance is increasing both as an asset class amongst investors as well as a form of funding for credit consumers. Sidra Capital is well-placed to leverage on its expertise and network of partners and asset managers to offer Shari'ah compliant structured private finance products to investors.

• Our private finance products are designed with embedded risk mitigation features to enhance investor protection against underlying credit default, fraud and country risks, amongst others.

• In 2019, Sidra Capital launched the "Sidra Income Fund" a Shari'ah compliant income-generating fund focused on investing in infrastructure supply chain and structured trade finance transactions in Indonesia.

• The US Dollar denominated fund is a private placement fund regulated by the Saudi Arabian Capital Market Authority, which takes advantage of the infrastructure boom in Indonesia. This is attributable to the government's drive to develop infrastructure and expand the electrification programme throughout the archipelagic nation, as well as leveraging the arbitrage opportunity created by the country's fragmented coal and building raw material commodities supply chain.

Sidra MUTAJARA FUND

Sidra MUTAJARA FUND II

DECO

Sidra ancile global structured trade investments

Sidra Income Fund

PRIVATE EQUITY

• In 2019, we fully exited three deals from our Sidra PE, bringing the total number of exits to four.

• Leveraging this strong track record, we intend to launch a new PE with a strong regional PE Asset Manager targeting North American and European opportunities.

• Looking forward, we expect to continue to expand in the PE space and further enhance our value proposition by launching a diverse range of funds with new best-in-class PE Asset Managers.

$80m	79%	4
INVESTED	CAPITAL INVESTED RETURNED	EXITS

CORPORATE FINANCE AND ADVISORY

• We continued to provide our advisory services to existing clients and have gained traction in terms of converting leads into profitable mandates in late 2019/early 2020.

• We expect to focus on Saudi real estate for 2020.

INVESTMENT ADVISORY

• Our investment philosophy is that each client's needs are distinct and are best served with an objective, disciplined and personalised service.

• During 2019, our Investment Advisory Division had several discussions with endowments with regard to the provision of advisory services which entails enhancing their corporate governance structure as well as developing investment objectives and guidelines.

REVIEW OF ACTIVITIES

CORPORATE REVIEW

BRANDLOYALTY HQ - Den Bosch

CORPORATE REVIEW

• In 2019, Sidra Capital continued to invest in its human capital providing its talented team members with ongoing training and development in various financial and business related fields including financial modelling, compliance, time management, anti-money laundering, in addition to CMA training and certification.

• Furthermore, the company puts great emphasis on its localisation program and last year we grew the Saudization level to 66% reiterating our commitment to providing Saudi nationals with a career in financial services.

• The company held its annual strategy meeting for 2019 in Dubai, UAE bringing together all employees from different offices to discuss Sidra Capital's future expansion plans and business strategy for the next coming years.

• Further initiatives undertaken in 2019 included revamping the company's existing policies and procedures and the implementation of a new operating system for the asset management department.

• In addition, the accounting system was updated to SAP software during 2019, offering better connectivity and streamlining of key processes to improve internal financial reporting and drive the growth of the company.

DUBAI,2019

66%

LOCALISATION

+360

TRAINING HOURS

CFA Institute | ima CMA | CPE SPONSORS | THOMSON REUTERS | SOCPA الهيئة السعودية للمحاسبين القانونيين

CORPORATE GOVERNANCE REPORT

WESTON HOUSE - London, UK

INTRODUCTION

Sidra Capital is committed to adopting widely accepted and industry standard corporate governance practices that are aligned to prevailing regulations issued by the relevant authorities in the Kingdom of Saudi Arabia. Our main corporate governance objective is to uphold the interests of its shareholders and stakeholders by operating in accordance with the prescribed rules and regulations of the CMA.

LICENSED ACTIVITIES

Sidra Capital is licensed by the Capital Market Authority ('CMA') to conduct the following activities as an Authorized Person:

- Dealing as (Principal, Underwriter and Agent)
- Managing (Investment Fund Management and Discretionary Portfolio Management)
- Arranging
- Advising
- Custody

OFFICES AND SUBSIDIARY DETAILS

Jeddah (headquarters)
Level 3, Al Murjanah Tower, Prince Sultan Street
PO Box 118528
Jeddah 21312
Kingdom of Saudi Arabia

Riyadh (branch)
Office 11, First Floor, Building (B)
Al Nemer Al Nakheel Center
5262 Al Imam Saud Ibn Abdul Aziz Road
An Nakheel
Riyadh 12381
Kingdom of Saudi Arabia

Sidra Capital (UK) Limited (subsidiary)
48 Charles Street
Mayfair, London W1J 5EN
United Kingdom

Sidra Capital (UK) Limited is a 100% subsidiary of the company that was incorporated in the United Kingdom in 2017 and is currently operating in London. Its main activity is to provide real estate advisory services. The subsidiary is working to enhance in-house capabilities to support the group's asset management activities related to its real estate investment strategies. It has an issued and paid-up capital of £100,000.

BOARD OF DIRECTORS

Sidra Capital's Board of Directors 'Board' comprises five members who are elected by shareholders for a period of three years. Each member can be re-elected upon completing the initial term, in accordance with the company's bylaws. The Board is responsible for providing strategic guidance to the business and affairs of the company, based on its vision and objectives.

The Board's key responsibilities include providing guidance on enhancing Sidra Capital's performance, and protecting and enhancing the interests of shareholders while managing the interests of various other stakeholders. Other key roles of the Board include:

- Reviewing and providing strategic guidance on corporate strategy, major plans of action including capex, acquisitions and divestitures, risk appetite, annual budgets and business plans, and business performance.
- Monitoring and continuously improving the effectiveness of the company's governance practices.
- Ensuring that appropriate policies and procedures are in place and in line with the overall direction of the company.
- Reviewing and approving the evolution of the company's organizational and functional structures.
- Monitoring and managing potential conflicts of interest of Board members, senior management, and shareholders including misuse of Sidra Capital's assets, and abuses in related-party transactions.
- Forming Board sub-committees as required, with clearly defined tasks, rights, and obligations.
- Ensuring the integrity of Sidra Capital's accounting and financial reporting systems, including the independent audit. Also ensure that appropriate systems are in place for risk management, financial and operational control and compliance with the law and relevant standards.

BOARD MEMBERS

NAME	MEMBERSHIP CLASSIFICATION	POSITION
Anas Mohammed Saleh Seirafi	Independent	Chairman
Hani Othman Baothman	Non-Executive	Vice Chairman
Shaukat Aziz	Independent	Board Member
Ammar Farouq Zahran	Non-Executive	Board Member
Muhammad Currim Oozeer	Executive	Board Member and Chief Executive Officer

BOARD MEETING ATTENDANCE

Board meetings attendance record for the financial year ended 31 December 2019:

NAME	FIRST MEETING: 24 MARCH 2019	SECOND MEETING: 3 NOVEMBER 2019
Anas Mohammed Saleh Seirafi	●	●
Hani Othman Baothman	●	●
Shaukat Aziz	●	●
Ammar Farouq Zahran	●	●
Muhammad Currim Oozeer	●	●

BOARD MEMBERSHIPS IN OTHER COMPANIES

NAME	POSITION	NAME OF THE COMPANY
Anas Mohammed Saleh Seirafi	Vice Chairman	Taiba Holding Company
	Board Member	Umm Al Qura Construction & Development
Hani Othman Baothman	Board Member	Al Murjan United Arabia Limited [1]
	Board Member	Al Murjan International Holding Limited
	Board Member	Alkhozama Management Company
	Board Member	Altaif Investment and Tourism Company
	Chairman	INOKS Capital Ltd
	Board Member	Sidra Capital (UK) Limited
	Board Member	Sidra Capital Limited
Shaukat Aziz	Board Member	Millennium & Copthorne Hotels PLC
	Board Member	Berggruen Institute of Governance
Ammar Farouq Zahran	Board Member	Al Murjan United Arabia [2]
	Board Member	Al Murjan International Holding Limited
	Board Member	Sidra Capital Limited
Muhammad Currim Oozeer	Board Member	Sidra Capital Limited
	Board Member	Sidra Capital (UK) Limited
	Board Member	INOKS Capital Ltd

[1] No longer a Board Member as of 22 October 2019
[2] No longer a Board Member as of 22 October 2019

BOARD SUB-COMMITTEES

Sidra Capital's two Board sub-committees provide assistance to the Board to effectively discharge its responsibilities. The sub-committees' roles include:

- Advising the Board on complex issues in a more efficient manner by allowing specialists to focus on specific issues and provide detailed analyses and recommendations.
- Assisting the Board to develop subject-specific expertise on the company's operations, most notably on financial reporting, risk management and internal controls.
- Enhancing the objectivity and independence of Board decisions, insulating it from potential undue influence.

SIDRA CAPITAL'S BOARD SUB-COMMITTEES ARE:

1- AUDIT, RISK & COMPLIANCE COMMITTEE [3]

The Audit, Risk & Compliance Committee ('ARCC') is a Board sub-committee which has the vested authority to make recommendations to the Board for its approval. The ARCC assists the Board in fulfilling its oversight responsibilities relating to:

- Preparation of financial statements and other financial information produced by the company for shareholders, the public and other stakeholders.
- Compliance with legal and regulatory requirements.
- Performance of the internal audit function.
- Proper functioning of the risk management, compliance and other governance activities.

ARCC MEMBERS

NAME	POSITION
Abdulelah Abdu Mukred	Chairman
Ammar Farouq Zahran	Member
Seedy Keita	Member

ARCC MEETING ATTENDANCE

ARCC meetings attendance record for the financial year ended 31 December 2019:

NAME	FIRST MEETING: 11 MARCH 2019	SECOND MEETING: 30 MAY 2019	THIRD MEETING: 16 SEPTEMBER 2019	FOURTH MEETING: 29 DECEMBER 2019
Abdulelah Abdu Mukred	●	●	●	●
Ammar Farouq Zahran	●	●	●	●
Seedy Keita	●	●	●	●

[3] ARCC has been renamed to Audit & Risk Committee as of 1 January 2020, a separate Compliance Committee has been established as a management level committee.

2- NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee ('NRC') is a Board sub-committee that establishes and implements principles and parameters underlying the process of nominating and remunerating Board directors and senior management. The NRC undertakes the following duties and responsibilities:

- Review the Board's composition and ensure it has the appropriate mix of skills, experience and other factors required by the company and regulatory authorities to fulfil its responsibilities.
- Review and make recommendations to the Board on the compensation of directors and senior management.

NRC MEMBERS

NAME OF THE MEMBER	POSITION
Anas Mohammed Saleh Seirafi	Chairman
Ammar Farouq Zahran	Member
Hani Othman Baothman	Member

NRC MEETING ATTENDANCE

NRC meetings attendance record for the financial year ended 31 December 2019:

NAME	MEETING DATE: 3 NOVEMBER 2019
Anas Mohammed Saleh Seirafi	●
Ammar Farouq Zahran	●
Hani Othman Baothman	●

BOARD MEMBERS' AND SENIOR EXECUTIVES' REMUNERATION AND COMPENSATION

The following is a detailed description of all expenses, remuneration, and salaries paid to Board members and the top five senior executives, added to them the Chief Executive Officer and Finance Manager, for the financial year ended 31 December 2019.

DESCRIPTION	EXECUTIVE BOARD MEMBERS	NON-EXECUTIVE AND INDEPENDENT BOARD MEMBERS	TOP FIVE SENIOR EXECUTIVES (CEO AND FINANCE MANAGER ADDED TO THEM)
Salaries and wages	-	-	4,027,120
Allowances	-	-	1,425,092
Periodic and annual remuneration	-	50,000	1,810,000
Commissions	-	-	-
Incentive plans	-	-	-
Any compensation or in-kind benefits paid monthly or annually	-	-	-

ANNUAL REVIEW OF THE COMPANY'S INTERNAL SYSTEMS AND CONTROL PROCEDURES AND THE OPINION OF THE AUDIT, RISK & COMPLIANCE COMMITTEE ('ARCC') WITH RESPECT TO THE ADEQUACY OF THE COMPANY'S INTERNAL CONTROL SYSTEM

Sidra Capital has an independent Risk & Internal Audit division to provide assurance on the adequacy of risk management, governance, and internal control. The focus of the function is to enhance and protect stakeholder value through a risk-based approach to audit and its other activities.

As per the risk-based internal audit plan developed by PricewaterhouseCoopers ('PwC'); they have executed 6 audit reviews consisting of 4 high-risk divisions and 2 medium-risk divisions. A follow-up audit was also conducted and presented to the ARCC to ensure that the management implements the action plan within the agreed timelines.

All audit reviews are presented to the ARCC in the form of Internal Risk Management and Audit Reports. In addition to the formal audit follow-up process, the Risk & Internal Audit division seeks periodic status updates from each of the divisions on the implementation of agreed management actions. As part of the internal audit recommendations, the ARCC also ensures that the results of the audit reviews and any corrective measures are implemented within the agreed timelines.

Based on the results of the assessment till date, there are no fundamental weakness identified in the internal systems and control of the company. The ARCC believes that Sidra Capital has a sound and effective system of internal controls – both in design and implementation – and that the company is continuously striving for excellence to enhance value for stakeholders.

RISK MANAGEMENT

Sidra understands that risk is an integral part of any investment business and would like to take informed decisions before accepting any risk. This enables Sidra to optimize the risk- return trade-off in any business decision. The Company is currently in the process of establishing a robust risk management governance framework for efficiently managing the risks undertaken.

Given the company's size and operations, Sidra Capital has developed a risk management framework to identify and manage major risks. As outlined previously, the Board is assisted by sub-committees, particularly the ARCC, in fulfilling its oversight responsibility for risk management activities, and operating in accordance with best practice.

The company also has a Risk and Internal Audit division that is responsible for risk assessment and management, thus mitigating Sidra Capital's key operational and business risks and improving internal controls. Major risks to the company are:

A) CREDIT RISK

Credit risk is one of the most important operational risks that Sidra Capital faces, which is the failure of one or more of its major counter-parties. To mitigate this risk, the company has diversified its banking relationships across several Saudi and international banks. In managing its credit risk, the company applies the CMA Prudential rules, one of the components used to calculate minimum capital requirements.

B) MARKET RISK

Market risk is the risk that the value of an investment will decrease due to movements in the market. After discussions with Sidra Capital's external auditor, and considering that the company does not have a trading book, the only applicable market risk is foreign exchange. The company again applies the CMA Prudential rules to monitor the market risk, whilst continuing assessing any hedging requirements.

C) LIQUIDITY RISK

Liquidity risk is the risk resulting from the Company's inability to fund its portfolio of assets and meet obligations at appropriate maturities. It is also the inability to pursue profitable business opportunities and continue as a viable business due to a lack of access to sufficient cost-effective resources. Liquidity risk could also arise due to the inability of an institution to liquidate a position in a timely manner at a reasonable price. The Company manages its liquidity requirements through short-term murabaha deposits and closely monitoring its liquidity ratio.

D) OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems – and the risk of loss arising from external events. The company applies the CMA Prudential rules to monitor operational risk. It also uses the expenditure-based approach, which adds a 25% risk charge to the previous year's level of operating expenses.

These risks are monitored monthly, as part of its management in determining the capital adequacy requirements specified by the CMA.

PENALTIES, FINES, PRECAUTIONARY MEASURES AND PREVENTIVE RESTRICTIONS

Sidra Capital conducts its businesses in line with the highest standards of ethics and in compliance with the relevant laws, regulations and regulatory directives issued by the supervisory and regulatory authorities in Saudi Arabia.

In 2019, the company did not receive any punishment, penalty, precautionary procedure or preventive measure imposed on Sidra Capital by the CMA or any other supervisory, regulatory or judiciary authority.

LOANS

For the financial year ended 31 December 2019, Sidra Capital has no loans outstanding.

ARRANGEMENTS OR AGREEMENTS UNDER WHICH A DIRECTOR OR SENIOR EXECUTIVE OF THE COMPANY HAS WAIVED ANY REMUNERATION

Sidra Capital confirms that there has been no situation in which a Director or senior executive of the company has waived any remuneration for the financial year ended 31 December 2019.

INTERESTS, CONTRACTUAL SECURITIES OR RIGHTS ISSUES OF THE BOARD MEMBERS, SENIOR EXECUTIVES AND THEIR RELATIVES IN SHARES OR DEBT INSTRUMENTS OF THE COMPANY OR ITS AFFILIATES, AND ANY CHANGES IN THESE INTERESTS OR RIGHTS DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2019.

NAME	POSITION	INTEREST STATUS	NUMBER OF SHARES AS AT 1/1/2019	PERCENTAGE SHAREHOLDING AS AT 1/1/2019	NUMBER OF SHARES AS AT 31/12/2019	NUMBER OF SHARES AS AT 31/12/2019	SHARE PAR VALUE (SAR) PERCENTAGE SHAREHOLING AS AT 31/12/2019
Hani Othman Baothman	Vice-Chairman	Indirect interest	90,000	1	90,000	1	10
Ammar Farouq Zahran	Board Member	Indirect interest	1,440,000	16	1,440,000	16	10

TRANSACTIONS WITH CONNECTED PERSONS

Sidra Capital confirms that there were no transactions with connected persons during the financial year ended 31 December 2019.

BUSINESS ACTIVITIES OR CONTRACTS TO WHICH THE COMPANY IS A PARTY AND IN WHICH A BOARD MEMBER OR SENIOR EXECUTIVE (OR ANY ASSOCIATE OF THEIRS) IS OR WAS INTERESTED, INCLUDING THE NAMES OF THE PERSONS IN RELATION, AND THE NATURE, CONDITIONS, DURATIONS AND AMOUNT OF THE BUSINESS OR CONTRACT

Sidra Capital confirms that there were no instances of business activities or contracts to which it is a party and in which a Board member or senior executive (or any associate of theirs) is or was interested during the financial year ended 31 December 2019.

CONCLUSION

The Sidra Capital Board extends its appreciation to the company's senior management and employees, whose dedication and efforts played such a vital role in the achievements and progress made during the year.

SDR-438-05-02-03-20

SHARIYAH
REVIEW BUREAU

بِسۡمِ ٱللَّهِ ٱلرَّحۡمَٰنِ ٱلرَّحِيمِ

Shari'a Advisor's Report to the Shareholders of Sidra Capital

Praise be to Allah, Lord of the worlds, and peace and blessings be upon Mohammed, the leader of Prophets and Messengers, and upon his family and companions, and upon those who follow his Guidance until the Day of Judgment.

It is our pleasure to present you the Shari'a Advisor's Report for Sidra Capital (hereinafter 'Company').

In compliance with the letter of appointment we the undersigned have reviewed the Company's businesses & activities for the period from 1st January 2019 to 31st December 2019.

We have reviewed all transactions, investment and pertinent documentation adopted by the Company. Our review was conducted to form an opinion as to whether the Company has complied with Shari'a rules and principles and also with the directives and guidelines issued by AAOIFI. We planned and performed our review so as obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable asurance that the Company has not violated Shari'a rules and Principles.

The prime responsibility for ensuring compliance with Shari'a standards and rules in all activities and business operations lie with the Company management. It is our responsibility to present an independent opinion of the Company's operations and to communicate it to the shareholders.

Based upon the above and taking into consideration the Shariah auditor's observations detailed in the shariah audit report, in our opinion the reviewed transactions, related documentation & processes, business activities and dealings entered into by the Company during the year ended 31st December 2019 are in compliance with the Islamic Shari'a Rules and Principles.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

Shari'a Advisor
Muhammad Ahmad
12 /03/ 2020

SHARIYAH REVIEW BUREAU

CONSOLIDATED FINANCIAL STATEMENTS 2019

33 GREYCOAT - London, UK

KPMG Al Fozan & Partners
Certified Public Accountants
Zahran Business Centre, 8th Floor
Prince Sultan Street
PO Box 55078
Jeddah 21534
Kingdom of Saudi Arabia

Telephone +966 12 698 9595
Fax +966 12 698 9494
Internet www.kpmg.com/sa

License No 46/11/323 issued 11/3/1992

Independent Auditor's Report

To the Shareholders of Sidra Capital Company

Opinion

We have audited the consolidated financial statements of Sidra Capital Company ("the Company") (and its subsidiary) ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies, Company's By-Laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors is responsible for overseeing the Group's financial reporting process.

Independent auditors' report

To the Shareholders of Sidra Capital Company (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of Sidra Capital Company ("the Company") (and its subsidiary) ("the Group").

For KPMG Al Fozan & Partners
Certified Public Accountants

Nasser Ahmed Al Shutairy
License No: 454

Jeddah, 26 March 2020
Corresponding to 2 Shaban 1441H

	Note	2019	2018
Assets			
Property and equipment	5	1,904,829	2,454,277
Intangible assets	6	263,279	111,545
Investment property	7	3,993,000	3,312,895
Investments at FVTPL	8	83,271,238	53,323,411
Right of use of asset	9	498,544	–
Non-current assets		89,930,890	59,202,128
Trade and other receivables	10	10,970,753	13,683,516
Prepayments	11	1,221,898	841,401
Cash and cash equivalents	12	45,241,867	47,915,110
Current assets		57,434,518	62,440,027
Total assets		147,365,408	121,642,155
Equity			
Share capital	13	90,000,000	90,000,000
Statutory reserve	14	4,800,004	2,642,046
Foreign currency translation reserve		38,662	42,860
Retained earnings		37,365,274	18,333,425
Total equity		133,587,574	111,018,331
Liabilities			
Employee benefits	15	5,119,665	4,097,763
Lease liability	16	317,445	–
Non-current liabilities		5,437,110	4,097,763
Trade and other payables	17	818,202	145,103
Accrued expenses	18	7,534,481	1,253,967
Accrued zakat and income tax	19	1,371,675	5,126,991
Current liabilities		9,724,358	6,526,061
Total liabilities		15,161,468	10,623,824
Total equity and liabilities		147,365,408	121,642,155

The notes on pages from 25 to 59 form an integral part of these consolidated financial statements.

	Note	2019	2018
Revenue			
Management services		**54,444,340**	46,582,205
Arrangement and advisory services		**1,886,836**	1,566,830
Operational investments		**3,837,039**	4,222,987
Total revenue		**60,168,215**	52,372,022
Operating expenses			
Employee related costs		**(22,579,937)**	(16,508,278)
Marketing and promotion expenses		**(1,437,073)**	(1,218,249)
General and administrative expenses	20	**(14,875,118)**	(10,088,633)
(Impairment) / reversal on trade receivable	10	**(1,701,697)**	13,263
Reversal / (impairment) on investment property	7	**680,105**	(1,303,737)
Gain / (Loss) on investments at FVTPL		**1,874,016**	(2,159,379)
Total operating expenses		**(38,039,704)**	(31,265,013)
Operating profit		**22,128,511**	21,107,009
Other income		**18,736**	343,217
Foreign currency gain / (loss)	21	**804,045**	(2,839,968)
Profit before zakat and income tax		**22,951,292**	18,610,258
Zakat and income tax	19	**(1,371,709)**	(929,032)
Profit for the year		**21,579,583**	17,681,226
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	15	**(233,136)**	(272,749)
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation reserve		**(4,198)**	(38,018)
Other comprehensive loss for the year		**(237,334)**	(310,767)
Total comprehensive income for the year		**21,342,249**	17,370,459
Basic and Diluted Earnings Per Share	22	**2.40**	1.96

The notes on pages from 25 to 59 form an integral part of these consolidated financial statements.

	Note	Share capital	Statutory reserve	Foreign currency Translation reserve	Retained earnings/ (accumulated losses)	Total equity
Balance as at 1 January 2018		90,000,000	873,924	80,878	2,693,070	93,647,872
Profit for the year		–	–	–	17,681,226	17,681,226
Other comprehensive income		–	–	(38,018)	(272,749)	(310,767)
Total comprehensive income for the year		–	–	(38,018)	17,408,477	17,370,459
Transfer to statutory reserve		–	1,768,122	–	(1,768,122)	–
Balance at 31 December 2018		90,000,000	2,642,046	42,860	18,333,425	111,018,331
Adjustment on initial application of IFRS 16	3	–	–	–	(156,640)	(156,640)
Adjusted balance at 1 January 2019		**90,000,000**	**2,642,046**	**42,860**	**18,176,785**	**110,861,691**
Profit for the year		–	–	–	21,579,583	21,579,583
Other comprehensive loss		–	–	(4,198)	(233,136)	(237,334)
Total comprehensive income for the year		–	–	(4,198)	21,346,447	21,342,249
Transfer to statutory reserve		–	2,157,958	–	(2,157,952)	–
Balance at 31 December 2019		**90,000,000**	**4,800,004**	**38,662**	**37,365,274**	**132,203,940**

The notes on pages from 25 to 59 form an integral part of these consolidated financial statements.

	Note	2019	2018
Cash flow from operating activities			
Profit before zakat and income tax		22,951,292	18,610,258
Adjustments for:			
Depreciation on property and equipment	5	797,800	739,896
Amortization	20	499,100	–
Impairment / (reversal) on trade receivable	10	1,701,697	(13,263)
Fair value (gain) / loss on investment at FVTPL		(1,874,016)	2,159,379
Gain on sale of property and equipment		--	(2,199)
Loss on sale of investment		689,783	–
Foreign exchange (gain) / loss on investment		(835,145)	2,747,093
(Reversal) / impairment on investment property	7	(680,105)	1,303,737
Employee benefits	15	811,265	715,261
		1,110,379	7,661,821
		24,061,671	26,272,079
Changes in			
(Increase) / decrease in trade and other receivables		(3,307,976)	298,388
(Increase) in Prepayments		(380,497)	(3,231,276)
Increase in trade and other payables		673,099	519,675
Increase / (decrease) in Accrued expenses		5,880,514	(708,986)
Cash generated from operating activities		26,926,811	23,149,880
Zakat paid	19	(4,295,483)	(1,201,741)
Employees' benefits paid	15	(22,499)	(251,679)
Net Cash generated from operating activities		22,608,829	21,696,460
Cash flow from investing activities			
Investment made during the year	8	(56,451,066)	(16,451,672)
Proceeds from murabaha deposits		--	9,683,897
Proceeds from sale of investments		31,666,977	6,476,096
Additions in property and equipment	5	(327,113)	(933,564)
Proceed from disposal of property and equipment		--	4,240
Additions in intangible assets	6	(139,770)	(102,737)
Net cash used in investing activities		(25,250,972)	(1,323,740)
Net change in cash and cash equivalents		(2,642,143)	20,372,720
Effect of currency exchange rates on cash and cash equivalents		(31,100)	(92,576)
Cash and cash equivalents at 1 January		47,915,110	27,634,966
Cash and cash equivalents at 31 December	8	45,241,867	47,915,110
Non-cash items:			
Settlement of zakat and income tax	19	831,542	–
Purchase of investments	8	3,487,500	–

The notes on pages from 25 to 59 form an integral part of these consolidated financial statements.

1. REPORTING ENTITY

Sidra Capital Company ("the Company") is a Saudi closed joint stock company registered in Jeddah, Kingdom of Saudi Arabia under Commercial Registration No. 4030187025 on February 25, 2009, corresponding to Safar 30,1430H. The Company commenced its operation as per the resolution of Ministry for Commerce and Industry, dated January 24, 2009, corresponding to Muharram 27, 1430H.

The Company's principal activities are dealing as principal, agent, underwriting, managing, arranging, advising and custody services with respect to the securities business as per the license issued by The Capital Market Authority (CMA) number 08116-37 on September 1, 2008 and renewed for the period from 1 July 2019 to 30 June 2020.

The registered office of the Company is located at the following address:

3rd Floor, Al Murjanah Tower,
Al Rawdah District,
P.O. Box 118528,
Jeddah 21312,
Kingdom of Saudi Arabia.

The Company also prepares separate set of standalone financial statements.

These consolidated financial statements include the consolidated financial statements of the Company and the following subsidiary (collectively referred to as "the Group"):

COMPANY	COUNTRY OF INCORPORATION	OWNERSHIP PERCENTAGE	PRINCIPAL ACTIVITIES
Sidra Capital(UK) Limited	England and Wales	100%	Management and advisory services

* During the year ended December 31, 2017 the Company has established a new fully owned subsidiary in United Kingdom.

2. BASIS OF PREPARATION

(A) STATEMENT OF COMPLIANCE

These financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by Saudi Organization for Certified Public Accountants (SOCPA) in the Kingdom of Saudi Arabia as well as other standards and pronouncements issued by SOCPA (collectively referred to as “IFRS as endorsed in KSA”).

This is the first set of the Group’s financial statements in which IFRS 16 Leases has been applied. Changes in significant accounting policies are described in Note 3.

(B) BASIS OF MEASUREMENT

These consolidated financial statements have been prepared using the accrual basis of accounting and the going concern assumption under the historical cost convention except for employee benefits which are recognized at the present value of future obligations using Projected Credit Unit Method).

ITEMS	MEASUREMENT BASES
Employees’ Benefits	Present value of the defined benefit obligation, limited as explained in Note No. 15
Investments at FVTPL	Investments at FVTPL are carried at Fair value of investments as at 31 December 2019 as explained in Note No. 8

2. BASIS OF PREPARATION Continued

(C) FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Saudi Arabian Riyals ('SR'), which is the Company's functional currency.

(D) SIGNIfiCANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and accompanying disclosures and disclosures of contingent liabilities. Such judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revision to accounting estimates are recognized in the period in which the estimate is revised and any future period affected.

(E) CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

Significant areas where management has used estimates, assumptions or exercised judgments are as follows:

(i) Useful lives and residual value of property and equipment and intangibles

The management determines the estimated useful lives of property and equipment and intangibles for calculating depreciation / amortization. This estimate is determined after considering expected usage of the assets or physical wear and tear. Management reviews the residual value, depreciation method and useful lives annually and future depreciation /amortization charges are adjusted where management believes these differ from previous estimates.

(ii) Impairment of non-financial assets

The Group reviews the carrying amounts of non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less cost to sell and value in use.

Non-financial assets that suffered impairment are reviewed for possible reversal of impairment at each reporting date. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized as income immediately in the consolidated statement of profit or loss and other comprehensive income.

(iii) Employee benefits

The cost of the defined benefit plan (end of service benefits) and the present value of the end of service benefits obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

2. BASIS OF PREPARATION Continued

(E) CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES Continued

(iv) Impairment of accounts and other receivable

The Group follows an expected credit loss model for the impairment of accounts and other receivables, this requires the Group to take into consideration, certain estimates for toward looking factors while calculating probability of default.

(v) Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note No. 4(d) – financial instruments.

3. CHANGE IN SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's financial statements for the year ended 31 December 2018, except for the adoption of the new standard mentioned below:

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Accordingly, the comparative information presented for 2018 is not restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

The effect of adoption of IFRS 16 is as follows:

On transition to IFRS 16, the Group recognised additional right-of-use assets, and additional lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below.

Reconciliation of retained earnings

	SAR
Right of use assets	928,499
Lease liability	(1,085,139)
Retained earnings	156,640

Reconciliation of lease liabilities

	SAR
Off-balance sheet lease obligations as of 31 December 2018	1,429,489
Operating lease contracts obligations as of January 1, 2019 (Gross without discounting)	1,429,489
Effect of discounting using the incremental borrowing rate	(344,350)
Operating contracts lease obligations as of January 2019 ,1 (net, discounted)	1,085,139

Nature of effect of IFRS 16

The Group has lease contracts for office premises until 31 December 2018 (i.e. before the adoption of IFRS 16). The Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under prepayments and accrued rent respectively.

Upon adoption of IFRS 16, the Group has applied a single recognition and measurement approach for all leases in which it is the lessee, except for short-term leases and leases of low-value assets. The Group has recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets under lease arrangements. In accordance with the modified retrospective method of adoption, the Group applied IFRS 16 at the date of initial application with transition impact of SAR 156,640 recognized in retained earnings. Accordingly, comparative information in these consolidated financial statements has not been restated.

3. CHANGE IN SIGNIFICANT ACCOUNTING POLICIES Continued

Policy applicable on or after 1 January 2019

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, i.e. three to five years. Right-of-use assets are subject to impairment. As of 1 January 2019, the right of use assets amounted to SAR 928,499.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the market rate of borrowing as the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and is reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. Lease liabilities are included within accrued expenses.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised

The Group has the option, under some of its leases to lease the assets for additional terms of one to five years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

4. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION

(i) Subsidiary

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The group controls an investee if and only if, the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(B) CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the statement of financial position based on current/ non-current classification.

Assets:

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements:

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

4. SIGNIFICANT ACCOUNTING POLICIES

(C) PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and presented net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is not depreciated. The cost of property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets as follows:

	Years
Leasehold improvements	Shorter of lease term or useful life of 5 years
Furniture and fixtures	10
Office equipment	2-4
Computer	2-4

(B) PROPERTY AND EQUIPMENT (CONTINUED)

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the consolidated statement of profit or loss and other comprehensive income. Property and equipment are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted prospectively, if required.

(D) INTANGIBLE ASSETS

Intangible assets, other than goodwill, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in consolidated statement of profit or loss and other comprehensive income as incurred.

Amortization is calculated over the cost of the asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of four year, intangible assets (softwares) from the date that they are available for use, since it most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognized.

(E) FINANCIAL ASSETS AND LIABILITIES

(i) Initial recognition and derecognition

Initial recognition

A financial asset or financial liability (unless it's a trade receivable / other receivable without a significant financing component) is initially measured at fair value plus, for an item not carried at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade and other receivable without a significant financing component is initially measured at transaction price.

Derecognition

A financial asset (or a part of a financial asset, or a part of a Group of similar financial assets) is derecognized, when the contractual rights to the cash flows from the financial asset expires. A financial liability (or a part of financial liability) can only be derecognized when it is extinguished, that is, when the obligation specified in the contract is either discharged, cancelled or expired.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(D) FINANCIAL ASSETS AND LIABILITIES Continued

(ii) Classification under IFRS 9

Financial Asset at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
• The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assessments whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is the fair value of the financial asset on initial recognition. 'Interest' is the consideration for the time value of money, the credit and other basic lending risk associated with the principal amount outstanding during a particular period and other basic lending costs (e.g. liquidity risk and administrative costs), along with profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, considers:
• Contingent events that would change the amount and timing of cash flows;
• leverage features;
• Prepayment and extension terms;
• Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
• Features that modify consideration of the time value of money- e.g. periodical reset of interest rates.

Financial Asset at FVOCI

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
• The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Financial Asset at FVTPL

All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(D) FINANCIAL ASSETS AND LIABILITIES Continued

(ii) Classification under IFRS 9 Continued

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated- e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realized.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Classification of financial liabilities

The Group classifies its financial liabilities, as measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit or loss or an entity has opted to measure a liability at fair value through profit or loss as per the requirements of IFRS 9.

Financial liabilities classified as FVTPL using fair value option, if any, after initial recognition, for such liabilities, changes in fair value related to changes in own credit risk are presented separately in OCI and all other fair value changes are presented in the profit and loss.

Amounts in OCI relating to own credit are not recycled to the profit or loss even when the liability is derecognized and the amounts are realized.

Financial liabilities that are required to be measured at fair value through profit or loss will have all their fair value movements, including those related to changes in the credit risk of the liability, recognized in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(D) FINANCIAL ASSETS AND LIABILITIES Continued

(iii) Impairment in financial assets under IFRS 9

The Group recognizes loss allowances for ECL on financial assets that are debt instruments and are not carried at FVTPL, at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

Loss allowances for trade and other related receivables are always measured at an amount equal to lifetime ECL. The Group considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD)
- Loss given default (LGD)
- Exposure at default (EAD)

The Group categorizes its financial assets into following three stages in accordance with the IFRS-9 methodology:

- Stage 1 – Performing assets: Financial assets that are not significantly deteriorated in credit quality since origination. The impairment allowance is recorded based on 12 months Probability of Default (PD).
- Stage 2 – Underperforming assets: Financial assets that has significantly deteriorated in credit quality since origination

This credit quality assessment is made by comparing the remaining lifetime PD as at reporting date with the remaining lifetime PD point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations). The impairment allowance is recorded based on lifetime ECL. The impairment allowance is recorded based on life time PD.

- Stage 3 – Impaired assets: For Financial assets that are impaired, the Group is recognize the impairment allowance based on life time PD.

The Group also considers the forward-looking information in its assessment of significant deterioration in credit risk since origination as well as the measurement of ECL.

The forward-looking information will include the elements such as macroeconomic factors (e.g., unemployment, GDP growth, inflation, profit rates and house prices) and economic forecasts obtained through internal and external sources.

(F) ACCOUNTS PAYABLE, ACCRUALS AND OTHER CURRENT LIABILITIES

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

(G) EMPLOYEE BENEFITS

Employee benefits comprise of Post-employment benefits. The Group’s net obligations in respect of defined unfunded post-employment benefit plan (“the plan”) is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and any unrecognized past service costs. The discount rate used is the market yield on government bonds at the reporting date that have maturity dates approximating the terms of the Group’s obligations. The cost of providing benefits under the defined benefits plan is determined using the projected unit credit method to determine the Group’s present value of the obligation. As at the consolidated statement of financial position date, the Group’s post-employment defined benefit plan is represented by employees’ end of service benefit plan.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(G) EMPLOYEE BENEFITS Continued

Termination benefits

Termination benefits are recognized as an expense when the Group is demonstrably committed without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before retirement date, or to provide termination benefits as a result of an offer to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer for voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(H) INVESTMENT PROPERTY

Investment property is measured initially at its cost and transaction costs are included in the initial measurement. The Group is following cost model for subsequent measurement of investment property that includes land and is subsequently carried at cost less impairment losses.

(I) CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents cash, balances with banks and other financial assets, with original maturity of three months or less which are subject to insignificant risk of changes in their fair value.

(J) ZAKAT AND INCOME TAX

The Group is subject to zakat in accordance with the regulations of Saudi General Authority of Zakat and Income Tax (‘GAZT’). Foreign subsidiary is subject to the relevant income tax regulation in its country of domicile. Zakat and its share in foreign subsidiary income tax is accrued and charged to consolidated statement of profit or loss and other comprehensive income currently. Additional zakat and income tax liability, if any, related to prior years’ assessments are accounted for in the period in which the final assessments are finalized.

(K) PROVISIONS, CONTINGENCIES AND COMMITMENTS

Provisions are recognized when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured. Certain provisions are based on management’s estimate of the actual amount payable.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed in the consolidated statement of profit or loss and other comprehensive income.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(K) PROVISIONS, CONTINGENCIES AND COMMITMENTS Continued

Contingent liability is:

a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) A present obligation that arises from past events but is not recognized because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized and are disclosed, unless the probability of an outflow of resources embodying economic benefits is remote.

Commitments represent binding agreements of the Group to carry out specified courses of action involving in a transfer of cash or other asset to the respective counterparties. For details of Group's contingencies and commitments at the reporting date, please refer note 24.

(L) REVENUE RECOGNITION

Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. The Group recognize revenue when it transfers control over a product or service to a customer. The specific recognition criteria described below must also be met before the revenue is recognized.

Management Fees

Revenue from management services are recognized when the corresponding obligations have been performed.

Arrangement and Advisory Services

Arrangement fees are recognized when the deal is finalized with the client and the right to receive the arrangement fee is established.

Operational Investments

The Group earns pre-agreed revenue and fixed revenue on the investments in the projects and Real Estate Funds.

(M) EXPENSES

All expenses are classified as general and administrative expenses unless they are incurred for, and directly attributable to, the core revenue generating activities of the Group, in which case they are classified as direct expenses. Allocations of common expenses between direct expenses and general and administrative expenses, where required, are made on a consistent basis, appropriate to the nature of the item of expense and circumstances of the Group.

(N) DIVIDENDS

Final dividends are recorded in the consolidated financial statements in the period in which they are approved by shareholders of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES Continued

(O) EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held (if any). Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held and for the effects of all dilutive potential ordinary shares.

(P) FIDUCIARY ASSETS

Assets held in trust or in a fiduciary capacity are not treated as assets of the Group, and accordingly, are not included in the consolidated financial statements.

5. PROPERTY AND EQUIPMENT

Movement in property and equipment during the year ended 31 December 2019 is as follows:

	Leasehold improvement	Furniture and fixtures	Office equipment	Computer equipment	Total
Cost					
Balance at 1 January 2019	2,129,340	1,696,039	205,328	1,399,382	5,430,089
Additions during the year	190,009	52,533	8,397	76,174	327,113
Effect of translation	--	(861)	--	(530)	(1,391)
Transfers (*)	--	7,632	--	(220,608)	(212,976)
Balance at 31 December 2019	**2,319,349**	**1,755,343**	**213,725**	**1,254,418**	**5,542,835**
Accumulated depreciation					
Balance at 1 January 2019	839,230	978,255	122,859	1,035,468	2,975,812
Depreciation	447,917	158,276	39,047	152,560	797,800
Effect of translation	--	(3,661)	--	(78)	(3,739)
Transfers (*)	--	76,975	--	(208,842)	(131,867)
Balance at 31 December 2019	**1,287,147**	**1,209,845**	**161,906**	**979,108**	**3,638,006**
Carrying amounts as at 31 December 2019	**1,032,202**	**545,498**	**51,819**	**275,310**	**1,904,829**

(*) During the year ended 31 December 2019, the Group transferred intangible assets from computer and equipment category to intangible assets. No impact on Statement of profit or loss and other comprehensive income because there is no change in useful life.

Movement in property and equipment during the year ended 31 December 2018 is as follows:

	Leasehold improvement	Furniture and fixtures	Computer equipment	Total
Cost				
Balance at 1 January 2018	1,529,803	1,811,403	1,172,206	4,513,412
Additions during the year	599,537	89,882	244,145	933,564
Disposals	--	--	(16,887)	(16,887)
Balance at 31 December 2018	2,129,340	1,901,285	1,399,464	5,430,089
Accumulated depreciation				
Balance at 1 January 2018	458,940	913,251	878,571	2,250,762
Depreciation	380,290	187,781	171,825	739,896
Disposals	--	--	(14,846)	(14,846)
Balance at 31 December 2018	839,230	1,101,032	1,035,550	2,975,812
Carrying amount as at 31 December 2018	1,290,110	800,253	363,914	2,454,277

6. INTANGIBLE ASSETS

Movement in intangible assets (represented by computer software) during the year ended 31 December 2019 and 2018 is as follows:

	Note	2019	2018
Cost			
Balance as at 1 January		157,536	54,799
Additions		139,770	102,737
Transfers from property and equipment	5	212,976	--
Balance as at 31 December		510,282	157,536
Accumulated amortization			
Balance as at 1 January		45,991	34,074
Amortization		69,145	11,917
Transfers from property and equipment	5	131,867	--
Balance as at 31 December		247,003	45,991
Carrying amounts		263,279	111,545

7. INVESTMENT PROPERTY

Movement in investment property during the year ended 31 December 2019 and 2018 is as follows:

	2019	2018
Cost as at 1 January and 31 December	5,125,000	5,125,000
Accumulated provision		
Balance as at 1 January	1,812,105	508,368
Impairment (reversal) / loss for the year	(680,105)	1,303,737
Balance as at 31 December	1,132,000	1,812,105
Carrying amount as at 31 December	3,993,000	3,312,895

7.1 Investment property comprises a land that is a vacant property situated in neighborhood of Al-Manarat in Jeddah in Kingdom of Saudi Arabia.

7.2 The reversal of impairment loss recognized by the Group during the year ended 31 December 2019 is SR 680,105 and impairment loss for the year ended 31 December 2018 is SR 1,303,737).

7.3 Measurement of fair Values.

(i) Fair Value Hierarchy

SR 3.312 million) and investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(ii) Valuation technique and significant unobservable inputs

Market comparison technique: The valuation model is based on market multiples derived from quoted prices of land comparable to the investee.

8. INVESTMENTS AT FVTPL

	Note	2019	2018
Investment in listed equities		**31,267**	--
Investment in private equities	8.1	**45,071,870**	23,068,376
Investments in mutual funds	8.2	**33,006,988**	25,907,105
Investments in other ventures	8.3	**5,161,113**	4,347,930
Balance as at 31 December		**83,271,238**	53,323,411

8.1 Movement in Investment in Private equity

	2019	2018
Balance as at 1 January	**23,068,376**	25,494,132
Additions during the year	**48,185,405**	10,412,723
Disposals during the year	**(25,974,966)**	(7,762,203)
Fair value adjustment for the year	**(206,945)**	(5,076,276)
Balance as at 31 December	**45,071,870**	23,068,376

8.2 Movement in Investment in mutual funds

	2019	2018
Balance as at 1 January	**25,907,105**	22,024,812
Additions during the year	**11,724,777**	6,038,949
Disposals during the year	**(6,920,753)**	(150,000)
Fair value adjustment for the year	**2,295,859**	(2,006,656)
Balance as at 31 December	**33,006,988**	25,907,105

8.3 Investments in other venture is held in the name of a related party in behalf of the Company.

8.4 Investment in Private Equities

	Locality	Percentage of Holding	2019	2018
Tawazon Al Enjaz Co.	Saudi Arabia	0.9%	**10,000**	10,000
Greycoat Street	United Kingdom	1.81%	**939,039**	1,274,148
Drakehouse	United Kingdom	8.34%	**8,265,956**	5,523,428
Mercy Health	United States of America	4.04%	**5,727,043**	12,898,584
Industrial Portfolio	United States of America	1.87%	**3,831,185**	3,313,340
Quest	Australia	0.38%	**48,496**	48,876
Student Accommodation - USSA6P	United States of America	3.17%	**7,753,217**	--
Industrial Portfolio - 30 Properties	United States of America	7.12%	**18,496,934**	--
Closing balance			**45,071,870**	23,068,376

8. INVESTMENTS AT FVTPL Continued

8.5 Investment in Mutual Funds

	Locality	Percentage of Holding	2019	2018
Sterling UK Real Estate Fund	United Kingdom	6.8%	**7,363,683**	1,952,211
Ancile Fund	Luxembourg	4.6%	**19,106,384**	21,115,833
Deco Opes	Luxembourg	0.8%	**276,921**	304,061
Investcorp Gulf Institutional Private Equity Fund	United States of America	0.7%	**1,260,000**	2,535,000
Sidra Income Fund	Saudi Arabia	6.53%	**5,000,000**	--
Closing balance			**33,006,988**	25,907,105

8.6 This represents Group's investment in private equity via equity injection and additional funding in the form of shareholder loan that does not carry a fixed repayment or return. The Group does not intend to call the additional funding in the foreseeable future. The entities have been established as part of structures for onward investment in real estate properties held for income generation and development.

8.7 At the reporting date, the investee funds comprises of trade finance based in Luxembourg and Jeddah and real estate funds are domiciled in Jersey.

9. RIGHT OF USE OF ASSET

	Note	2019	2018
Cost			
Balance at 1 January 2019	3	**928,499**	--
Amortisation	20	**(429,955)**	--
Balance at 31 December 2019		**498,544**	--

10. TRADE AND OTHER RECEIVABLES

	Note	2019	2018
Trade receivables		**3,308,993**	4,044,761
Due from related parties - trade receivables	23	**85,230**	43,723
Accrued income		**8,677,802**	4,721,584
Other receivable		**598,068**	4,931,091
Gross trade and other receivables		**12,670,093**	13,741,159
Less: Provision for bad debts		**(1,699,340)**	(57,643)
Net trade and other receivables		**10,970,753**	13,683,516

10. TRADE AND OTHER RECEIVABLES Continued

The movement in the provision for allowance for credit losses is as follows

	2019	2018
Balance at the beginning of the year	57,643	60,000
Adjustment on initial application of IFRS 9	--	10,906
Charge for the year	1,701,697	--
Reversal during the year	--	(13,263)
Provisions written off	(60,000)	--
Balance at the end of the year	1,699,340	57,643

11. PREPAYMENTS

	2019	2018
Prepayments	1,221,898	841,401
	1,221,898	841,401

12. CASH AND CASH EQUIVALENTS

	2019	2018
Cash in hand	16,551	2,141
Cash at bank on current account – local currency	7,753,389	3,218,699
Cash at bank on current accounts – foreign currency	14,721,927	25,194,270
Murabaha deposits	22,750,000	19,500,000
	45,241,867	47,915,110

12.1 During the year ended 31 December 2019, the Group incurred foreign exchange gain / loss amounting to SR 0.033 million (2018: SR 0.092 million) on account of translation of foreign currency denominated monetary assets into Group's functional currency, including cash at bank in foreign currency accounts.

12.2 In addition to the cash at bank disclosed above, the Group has certain bank accounts wherein client money is being held in the fiduciary capacity.

12.3 Murabaha deposits that have a maturity of upto three months are part of cash and cash equivalents.

13. SHARE CAPITAL

As at 31 December 2019 the share capital of the Group amounting to SR 90,000,000 (2018: SR 90,000,000) is divided into 9,000,000 shares (2018: 9,000,000 shares) of SR 10 each (2018: SR 10 each) is as follows:

	2019			2018		
	Percentage Holding	No. of Shares	Share Capital	Percentage Holding	No. of Shares	Share Capital
Al Murjan Group Holding Limited	91%	8,229,600	82,296,000	--	--	--
Al-Murjan Arabian United Company Limited	--	--	--	91%	8,229,600	82,296,000
Sheikh Ahmed Salem Bugshan	6%	500,400	5,004,000	6%	500,400	5,004,000
Sheikh Abdulrahman Khalid Bin Mahfouz	1%	90,000	900,000	1%	90,000	900,000
Sheikh Sultan Khalid Bin Mahfouz	1%	90,000	900,000	1%	90,000	900,000
Talid Arabia Trading	1%	90,000	900,000	1%	90,000	900,000
	100%	9,000,000	90,000,000	100%	9,000,000	90,000,000

During the year ended 31 December 2019, Al Murjan Group Holding Limited has purchased the entire shares in the Company from Al Murjan Arabian United Company limited and legal formalities were also completed.

14. STATUTORY RESERVE

In accordance with the Company's Articles of Association, the Group established a statutory reserve by the appropriation of 10% of net income until the reserve is equal 30% of the share capital. This reserve is not available for divided distribution.

15. EMPLOYEE BENEFITS

The Group operates an approved unfunded employees' end of service benefits plan ("EOSB") for its employees as required by the Saudi Arabian Labor Law. The amount recognized in the consolidated statement of financial position is determined as follows:

	2019	2018
Present value of defined benefit obligation	5,119,665	4,097,763

An independent actuarial exercise has been conducted as at 31 December 2019 to ensure the adequacy of provision for employees' end of service benefits in accordance with the rules stated under the Saudi Arabian Labour Law by using the Projected Unit Credit Method as required under International Accounting Standards 19: Employee Benefits.

MOVEMENT IN NET DEFINED LIABILITY

The movement in the present value of the end-of-service benefits over the year is as follows:

	2019	2018
Balance at 1 January	4,097,763	3,361,432
Included in profit or loss		
Current service cost	631,111	592,509
Interest cost	180,154	122,752
Total	811,265	715,261
Included in other comprehensive income		
Actuarial loss arising from:		
- financial assumptions	(34,710)	14,760
- demographic assumptions	--	70
- experience adjustments	267,846	257,919
Total	233,136	272,749
Other		
Benefits paid	(22,499)	(251,679)
Balance at 31 December	5,119,665	4,097,763

The expense is recognized in the following line items in the consolidated statement of profit or loss and other comprehensive income:

	2019	2018
Salaries and Employee related costs	811,265	715,261

15. EMPLOYEE BENEFITS Continued

ACTUARIAL ASSUMPTIONS

The main actuarial assumptions used to calculate the indicative defined unfunded benefit plans liabilities are as follows (expressed as weighted averages):

	2019	2018
Financial assumptions		
Discount rate	2.90%	4.30%
Future salary growth/ expected rate of salary increase	2.90%	4.30%
Demographic assumptions		
Mortality	0.075%	0.15%
Retirement age	60 years	60 years
Turnover (age wise)	Heavy	Heavy

SENSITIVITY ANALYSIS:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

At the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2019		2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(192,390)	205,656	(152,403)	162,955
Future salary growth (0.5% movement)	217,547	(205,282)	172,350	(162,579)
Employee turnover (Medium to High)	High	--	High	--

As at 31 December 2019, the weighted average duration of the defined benefit obligation is 7.76 years.

During the year ended 31 December 2019, an independent actuarial exercise has been conducted to ensure the adequacy of provision for employees' end of service benefits in accordance with the rules stated under the Saudi Arabian Labor and Workmen Law by using the Projected Unit Credit Method as required under IAS 19.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

16. LEASE LIABILITY

	Note	2019	2018
Lease liability as at 1 January	3	1,085,139	--
Charge during the year		223,745	--
Repayments made during the year		(991,439)	--
Lease liability as at 31 December		317,445	--

17. TRADE AND OTHER PAYABLES

	Note	2019	2018
Due to related parties	23	260,851	15,648
Accounts payable		557,351	129,455
		818,202	145,103

18. ACCRUED EXPENSES

	2019	2018
Accrued staff cost	3,285,537	804,019
Accrued expenses	4,248,944	435,496
Deferred income	--	14,452
	7,534,481	1,253,967

19. ZAKAT AND INCOME TAX

19.1 At 31 December accrued Zakat and income tax comprise of the following:

	2019	2018
Accrued zakat	1,371,675	5,087,652
Accrued income tax	--	39,339
Accrued zakat and income tax	1,371,675	5,126,991

19. ZAKAT AND INCOME TAX Continued

19.2 Zakat and tax charge for the year comprise of the following:

	2019	2018
Zakat charge	1,371,675	1,527,465
Tax Charge	34	47,622
Reversal	--	(646,055)
	1,371,709	929,032

19.3 Zakat charge for the year ended December 31 has been calculated on Zakat base, the components of which are as follows:

	31 December 2019	31 December 2018
Equity	110,585,695	93,294,245
Opening allowances and other adjustments	6,096,148	7,533,090
Book value of long-term assets	(87,851,753)	(61,318,647)
Zakat able profit / (loss) for the year	26,036,921	21,589,912
Zakat base higher of adjusted net loss or Zakat base	54,867,011	61,098,600

Some of the aforementioned amounts have been adjusted (consistent with Zakat rules) in arriving at the Zakat charge for the year.

19.4 Movement in accrued zakat and income tax during the year ended 31 December is as follows:

	2019	2018
1 January	5,126,991	5,399,700
Reclassification-Reversal	(867,293)	(646,055)
Charge for the year	1,371,709	1,575,087
Payments during the year	(4,259,732)	(1,201,741)
31 December	1,371,675	5,126,991

19.5 The Company has filed zakat return up to and including the year 2018. Assessments have been finalised for the period form 2010 -2013, requiring an additional Zakat and tax payment of SR 4.4 million. The Company has appealed against the additional charge and concluded the zakat difference reduced to 2,782,418. As at the reporting date as per the advice of the Company's Zakat advisor, the management has accepted the settlement and paid net amount of SR 1,894,756 and remaining was paid earlier in advance to finalize Zakat status up to year ended 31 December 2013.

19.6 The subsidiary company has also filed the income tax return for and up to 2018 and there is no assessment pending as at 31 December 2019.

20. GENERAL AND ADMINISTRATIVE EXPENSES

	Note	2019	2018
Office Rent, Utilities and Other expenses		**452,461**	1,205,923
Consultancy		**6,993,459**	6,367,836
Depreciation	5	**797,800**	739,896
Amortization	6 & 9	**499,100**	11,917
Insurance		**205,863**	173,837
Project cost written off		**--**	235,633
Travelling		**832,093**	541,090
Others		**5,094,342**	812,501
		14,875,118	10,088,633

21. FOREIGN CURRENCY (LOSS) / GAIN

During the year, Group has recognized the foreign currency gains / (losses) on cash and cash equivalents, available for sale investments and accounts receivables.

22. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share have been computed by dividing the profit for the year attributable to the owners of the parent Company by the number of shares outstanding during the year. As there are no diluted shares outstanding, basic and diluted earnings per share are identical.

The earnings per share calculation is given below:

	2019	2018
Profit for the year	**21,579,583**	17,681,226
Weighted average number of shares outstanding	**9,000,000**	9,000,000
Profit per share (Saudi Riyals) – Basic and Diluted	**2.40**	1.96

23. RELATED PARTY TRANSACTIONS

(A) The entire list of related parties have been provided below:

Name	Relationship
Al Murjan Group Holding Limited	Shareholder
Talid Arabia Trading	Shareholder
Key Rent a Car Company	Affiliate
Al Murjan Arabian United Company Limited	Affiliate
Al Murjan International Holding Company Limited	Affiliate
Tawazun Al Enjaz	Affiliate

(B) Due from related parties as at 31 December are comprised of the following:

Name of entity	Nature of transactions	Amount of transaction 2019	2018	Balance as at 31 December 2019	2018
Al Murjan Arabian United Company Limited	Expenses incurred	1,121,542	494,886	--	--
Al Murjan International Holding Company Limited	on behalf	1,408,971	712,662	--	27,092
Tawazon Al-Enjaz	of related	252,724	201,891	85,230	13,355
Key Rent Car	party	27,598	12,645	--	3,276
				85,230	43,723

(C) Due to related parties as at 31 December are comprised of the following:

Name of entity	Nature of transactions	Amount of transaction 2019	2018	Balance as at 31 December 2019	2018
Al Murjan Arabian United Company Limited	Expenses incurred	1,123,403	15,648	207,793	15,648
Al Murjan international Holding Company Limited	on behalf	2,904,335	--	53,058	--
Key Rent a Car Company	of related party	30,850	--	--	--
				260,851	15,648

23. RELATED PARTY TRANSACTIONS Continued

(D) Transactions with key management personnel

(i) Key management personnel compensation comprised the following:

	2019	2018
Short term employee benefits	**3,776,081**	3,537,899
Post-employment benefits	**1,822,756**	1,546,675

Compensation to key management personnel includes salaries and contributions to post-employment defined benefit plan.

24. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at 31 December 2019.

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Further, for the current year the fair value disclosure of lease liabilities is also not required

	Carrying amount		Fair Value			
December 31, 2019	FVTPL	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets						
Investments at Fair Value through profit or loss	83,271,238	-	31,267	-	83,239,971	83,271,238
Trade and other receivables	-	10,970,753	-	-	-	-
Cash and cash equivalents	-	45,241,867	-	-	-	-
	83,271,238	56,212,620	31,267	-	83,239,971	83,271,238
Financial Liabilities						
Trade and other payables	-	818,202	-	-	-	-
	-	818,202	-	-	-	-

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

	Carrying amount		Fair Value			
December 31, 2019	FVTPL	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets						
Investments at Fair Value through profit or loss	53,323,411	-	-	-	53,323,411	53,323,411
Trade and other receivables	-	8,752,425	-	-	-	-
Cash and cash equivalents	-	47,915,110	-	-	-	-
	53,323,411	56,667,535	-	-	53,323,411	53,323,411
Financial Liabilities						
Trade and other payables	-	1,384,618	-	-	-	-
	-	1,384,618	-	-	-	-

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Private equities and other venture investments	Investments in private equities and other venture are carried at fair value by taking the effective holding percentage of fair value of property less any third-party loans and losses incurred by SPVs. The market value of the property calculated under discounted cash flows method: The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.	Expected future payments and discount rate	IThe estimated fair value would increase (decrease) if: the expected cash flows were higher (lower); or the risk-adjusted discount rate were lower (higher)
Mutual funds	The Investment in mutual funds are also carried at FVTPL and carried at NAV of the mutual fund of 31 December 2019	Net assets of the mutual fund	The estimated fair value would increase (decrease) if: the expected cash flows were higher (lower)

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

Level 3 recurring fair values

Movement in fair value of Financial Assets under level 3 for the year ended is as follow:

	2019	2018
Balance as at 1 January	53,323,411	52,964,826
Net movement in fair value	2,902,097	(8,180,884)
Additions During the year	59,910,182	16,451,672
Disposals During the year	(32,895,719)	(7,912,203)
Balance as at 31 December	83,239,971	53,323,411

During the year ended 31 December 2019 and 2018 there were no transfers between level 1 and level 2 fair value measurements.

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

(i) Credit risk
(ii) Liquidity risk, and
(iii) Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group's activities expose it to certain financial risks. Such financial risk emanates from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in private equities and mutual funds.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Impairment losses on financial assets and trade and other receivable recognised in profit or loss were as follows.

	2019	2018
Impairment loss / (gain) on trade receivables arising from contracts with customers	**1,701,697**	(13,263)

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate

The Group does not require collateral in respect of trade and other receivables. The group does not have trade receivable for which no loss allowance is recognised because of collateral.

At 31 December 2019, the exposure to credit risk for trade receivables by geographic region was as follows.

Geographic region	2019	2018
Saudi Arabia	**85,230**	2691,774
Africa	**278,151**	176,762
USA	**2,530,533**	975,844
Others	**500,309**	244,104
	3,394,223	4,088,484

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

(i) Credit risk Continued

EXPECTED CREDIT LOSS ASSESSMENT FOR CORPORATE CUSTOMERS

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Exposures within each credit risk grade are segmented by geographic region and industry classification and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers as at 31 December 2019.

	Weighted average loss rate	Gross carrying amount	Loss Allowance	Credit impaired
1–30 days past due	52%	1,460,138	6,267	No
31–60 days past due	39%	1,570,705	19,890	No
61–90 days past due	1%	39,375	531	No
More than 90 days past due	8%	324,005	10,384	Yes
	100%	3,394,223	37,072	

During the year ended 31 December 2019, the Company recorded a specific provision of SR 1,664,625 for the accrued income from Greycoat investment on prudence basis, because the investment is incurring losses.

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

(i) Credit risk Continued

EXPECTED CREDIT LOSS ASSESSMENT FOR CORPORATE CUSTOMERS CONTINUED

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2018.

	Weighted average loss rate	Gross carrying amount	Loss Allowance	Credit impaired
1–30 days past due	57%	2,319,582	8,979	No
31–60 days past due	3%	108,704	841	No
61–90 days past due	8%	318,146	4,098	No
More than 90 days past due	33%	1,342,052	30,152	Yes
	100%	4,088,484	44,070	

Movements in the allowance for impairment in respect of trade receivables during the year was as follows.

	2019	2018
Balance at the 1 January	57,643	60,000
Adjustment on initial application of IFRS 9	--	10,906
Charge for the year	1,701,697	--
Reversal during the year	--	(13,263)
Provisions written off	(60,000)	--
Balance at the 31 December	1,699,340	57,643

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. As at the balance sheet date, the Group's maximum exposure to credit risk is represented by the respective carrying values of cash and cash equivalents and accounts and other receivables. Cash at banks are placed with reputable banks having sound credit rating while accounts and other receivables pertain to credit worthy counter parties.

(II) LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation

The Group uses activity-based costing to cost its services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. Group maintains no credit lines, since the Group earns major revenue in advance and has sufficient liquidity in day to day operations.

25. FINANCIAL INSTRUMENT – FAIR VALUES AND RISK MANAGEMENT Continued

(iii) Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Market risk comprises of currency risk, interest rate risk and other price risk.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the Saudi riyal and Pound sterling. The currencies in which these transactions are primarily denominated are euro and US dollars. The Group seeks to manage its currency risk by means of appropriate financial instruments including the use of derivatives if required.

The following significant exchange rates have been applied.

	Weighted average rates		Year end spot rates	
	2019	2018	**2019**	2018
USD	**3.75**	3.75	**3.75**	3.75
GBP	**4.8511**	4.9262	**4.9176**	4.7846
Euro	**4.3015**	4.40195	**4.2013**	4.4017

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. The Group manages interest rate risk by monitoring interest rate exposures and mismatches between interest bearing financial assets and liabilities on a regular basis. As at the reporting date, the Group is not exposed to any significant interest rate risk.

This is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

Other price risk

The primary goal of the Group's investment in private equity securities is to hold the investments for the long term for strategic purposes. Management is assisted by external advisers in this regard.
Certain investments are designated as at FVTPL because their performance is actively monitored
and they are managed on a fair value basis.

26. STANDARD ISSUED BUT NOT YET EFFECTIVE

Following are the new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted them in preparing these consolidated financial statements.

Effective date	New standards or amendments 2019
1 January 2020	Amendments to References to Conceptual Framework in IFRS Standards Definition of a Business (Amendments to IFRS 3) Definition of Material (Amendments to IAS 1 and IAS 8)
1 January 2021	IFRS 17 Insurance Contracts
Available for optional adoption / Effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

27. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to comply with the capital requirements set by the Capital Market Authority ('CMA') to safeguard the Group's ability to continue as a going concern and to maintain a strong capital base.

During the year ended 31 December 2013, new Prudential Rules (the "rules") were introduced by the CMA pursuant to its Resolution Number 1-40-2012 dated 17/2/1434H corresponding to 30/12/2012G. The rules state that an authorized person shall continually possess a capital base which corresponds to not less than the total of the capital requirements as prescribed under Part 3 of Prudential Rules.

The Group’s objective when managing capital is to safeguard the Group’s ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business. The Capital Management of the Group is as follows:

27. CAPITAL MANAGEMENT Continued

	2019	2018
Description:		
Capital Base:		
Tier I capital	131,941	110,906
Total	131,941	110,906
Minimum capital requirement:		
Credit Risks	43,795	37,370
Market Risks	9,511	6,212
Operational risks	10,149	7,816
Total	63,455	51,398
Total Capital Ratio	2.08	2.16
Surplus in Capital	68.485	59,508

28. SUBSEQUENT EVENT

The spread of novel coronavirus (COVID-19) across multiple geographies was confirmed in early 2020, causing disruptions to businesses and economic activities. The Group considers this outbreak to be a non-adjusting post balance sheet event. At this early stage, the Group based on an initial assessment, assessed that there was no material impact on its operations. The management and those charged with governance will continue to monitor the situation and accordingly update all stakeholders as soon as more information is available. Changes in circumstances may require enhanced disclosures or recognition of adjustments in the consolidated financial statements of the Group of the subsequent periods in the financial year 2020.

29. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were authorized for issue by the Company's Board of Directors on 1 shaban 1441H, corresponding to 25 March 2020.

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