الفـــردوس
الفردوس القابضة ش.م.ع

Al Firdous
Al Firdous Holding P.J.S.C

**Primary and unaudited**

# AL FIRDOUS HOLDINGS (P.J.S.C.)
# AND IT'S SUBSIDIARY
# DUBAI – UNITED ARAB EMIRATES

# CONSOLIDATED FINANCIAL STATEMENTS
# MARCH 31, 2020

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**CONSOLIDATED FINANCIAL STATEMENTS**
**MARCH 31, 2020**

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Al Firdous
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Exhibit-A

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2020**
"All amounts are in U.A.E. Dirham"

| | Notes | **March 31, 2020** | March 31, 2019 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Inventories | | **-** | 41,624 |
| Accounts receivable | | **100** | 9,238 |
| Other receivables | 2 | **383,366** | 699,249 |
| Receivable on sale of the investment portfolio | 3 | **326,789,701** | 326,789,701 |
| Due from related parties | 4 | **295,722,144** | 295,879,508 |
| Cash and cash equivalents | 5 | **4,795** | 28,504 |
| Total current assets | | **622,900,106** | 623,447,824 |
| **Non - Current assets** | | | |
| Property, plant and equipment | 6 | **4,224,532** | 8,586,715 |
| Total non - current assets | | **4,224,532** | 8,586,715 |
| **Total assets** | | **627,124,638** | 632,034,539 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | |
| **Current liabilities** | | | |
| Accounts payable | | **7,948,817** | 7,581,574 |
| Other payables and provisions | 7 | **4,545,451** | 3,889,158 |
| Due to related parties | 4 | **45,516,523** | 43,616,976 |
| Total current liabilities | | **58,010,791** | 55,087,708 |
| **Non - current liabilities** | | | |
| Provision for indemnity | | **125,401** | 299,636 |
| Total non – current liabilities | | **125,401** | 299,636 |
| **Shareholders' equity** | | | |
| Share capital | 8 | **600,000,000** | 600,000,000 |
| Additional paid in capital | | **894,645** | 894,645 |
| Statutory reserve | 9 | **4,206,615** | 4,206,615 |
| Accumulated (losses) | | **(36,112,814)** | (28,454,065) |
| Total shareholders' equity | | **568,988,446** | 576,647,195 |
| **Total liabilities and shareholders' equity** | | **627,124,638** | 632,034,539 |

**Shk. Khaled Bin Zayed Al Nahyan**
**Chairman**

The accompanying notes are an integral part of these consolidated financial statements.

Exhibit-B

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED MARCH 31, 2020**
"All amounts are in U.A.E. Dirham"

| | Notes | **March 31, 2020** | March 31, 2019 |
|---|---|---|---|
| **Revenues** | | | |
| Sales | | **824,308** | 2,419,381 |
| Cost of sales | | **(252,596)** | (477,687) |
| **Gross profit** | | **571,712** | 1,941,694 |
| Other operating expenses | | **(6,318,714)** | (6,490,397) |
| Other income | | **86,000** | - |
| Operating (loss) | | **(5,661,002)** | (4,548,703) |
| **Expenses and other charges** | | | |
| General, administrative and selling expenses | 10 | **(1,997,747)** | (2,386,612) |
| **Total expenses and other charges** | | **(1,997,747)** | (2,386,612) |
| **Net (loss) for the year** | | **(7,658,749)** | (6,935,315) |
| Other comprehensive income for the year | | **-** | - |
| **Total comprehensive (loss) for the year** | | **(7,658,749)** | (6,935,315) |
| **(Loss) per share** | 11 | **(.0127)** | (0.0115) |

The accompanying notes are an integral part of these consolidated financial statements.

Exhibit-C

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED MARCH 31, 2020**
"All amounts are in U.A.E. Dirham"

| | **Share capital** | **Additional paid in capital** | **Statutory reserve** | **Accumulated (loss)** | **Total** |
|---|---|---|---|---|---|
| Balance at March 31, 2018 | 600,000,000 | 894,645 | 4,206,615 | (21,518,750) | 583,582,510 |
| Total comprehensive (loss) for the year | - | - | - | (6,935,315) | (6,935,315) |
| Balance at March 31, 2019 | 600,000,000 | 894,645 | 4,206,615 | (28,454,065) | 576,647,195 |
| Total comprehensive (loss) for the year | - | - | - | (7,658,749) | (7,658,749) |
| **Balance at March 31, 2020** | **600,000,000** | **894,645** | **4,206,615** | **(36,112,814)** | **568,988,446** |

The accompanying notes are an integral part of these consolidated financial statements.

Exhibit-D

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**
"All amounts are in U.A.E. Dirham"

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net (loss) for the year | **(7,658,749)** | (6,935,315) |
| Adjustment: | | |
| Depreciation | **4,362,183** | 3,667,828 |
| Provision for indemnity | **(174,235)** | (68,951) |
| Net changes in working capital items | **1,390,181** | 684,735 |
| Net cash (used in) operating activities | **(2,080,620)** | (2,651,703) |
| **Cash flows from financing activities** | | |
| Related parties | **2,056,911** | 2,615,680 |
| Net cash from financing activities | **2,056,911** | 2,615,680 |
| Net (decrease) in cash and cash equivalents | **(23,709)** | (36,023) |
| Cash and cash equivalents at the beginning of the year | **28,504** | 64,527 |
| **Cash and cash equivalents at the end of year** | **4,795** | 28,504 |

The accompanying notes are an integral part of these consolidated financial statements.

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
**AND IT'S SUBSIDIARY**
**DUBAI – UNITED ARAB EMIRATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**
"All amounts are in U.A.E. Dirham unless otherwise stated"

## 1- COMPANY'S INFORMATION AND ACTIVITIES

Al Firdous Holdings (P.J.S.C.) (the "Company") is a public joint stock company registered on July 1, 1998 in Dubai, United Arab Emirates, according to Ministerial Decree Number 106 for the year 1998. The Company commenced its operation on October 22, 1998. The registered address of the Company is P.O. Box 25233, Dubai, United Arab Emirates.

Up to December 31, 2008, the Company operated as a Group consisting of the Company (the "Parent Company") and Al Firdous Group Co. Ltd. For Hotels, a company established in the Kingdom of Saudi Arabia (KSA) and involved in managing and operating hotels and restaurants in KSA and organizing Hajj and Umrah trips.

On December 31, 2014, the Company incorporated a subsidiary, Yummy Chain Two L.L.C. The principal activity of the subsidiary is operating and managing restaurants in the Emirate of Dubai.

## 2- OTHER RECEIVABLES

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Prepaid expenses | **48,832** | 530,047 |
| Advances to suppliers | **4,337** | 4,337 |
| Refundable deposits | **160,015** | 160,015 |
| Others | **170,182** | 4,850 |
| | **383,366** | 699,249 |

## 3- RECEIVABLE ON SALE OF THE INVESTMENT PORTFOLIO

This represents the amount receivable from Islamic Arab Insurance Co. Labuan, Malaysia on the sale of the Al Firdous Group Co. Ltd. For Hotels, a wholly owned subsidiary, and Islamic investing and finance assets with Al Masaa Co. for Urban Development (together, the "Investment Portfolio"). This amount is guaranteed by a related party (Note 4).

With effect from January 1, 2009, the Company sold its 100% owner subsidiary (Al Firdous Group Co. Ltd for Hotels) and its Islamic financing and investing assets with Al Massa Co. for Urban Development Jeddah, KSA.

On 29 June 2009, the Group signed an agreement with Islamic Arab Insurance Co., Labuan Malaysia in which the parties agreed to reschedule the outstanding receivable of AED 326,789,701 into installments due every six months starting from 31 August 2010 and ending on 28 February 2012.

On 24 June 2010, and due to a proposed restructuring and investment plans by the Company, the rescheduling agreement was cancelled and both parties entered into another agreement to settle the amount receivable on the sale of the investment portfolio within 12 months from 31 March 2010.

The receivable on sale of the Investment Portfolio is still outstanding as of the date of these interim condensed consolidated financial statements. Negotiations are being held with Islamic Arab Insurance Co., Labuan for an early resolution to this matter. The Directors consider that the amount will be recovered on the eventual disposal of the investment Portfolio and, accordingly, the Group has not made any provision against this receivable.

## 4- RELATED PARTIES

Related parties comprise of the major shareholders, Board of Directors, entities controlled by them or under their joint control, executive officers, key management personnel and their close family members. The parent company approves the terms and conditions of related parties' transactions. The amount due from / to related parties does not attract interest although there are no defined repayment arrangements.

The transactions between affiliates represent financial transaction.

a) The balances due from related parties are as follows: -

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Advance against purchase of property – Entity under common control | **289,939,984** | 289,939,984 |
| Due from Bin Zayed Group – Entity under common control | **5,782,160** | 5,782,160 |
| Others | **-** | 157,364 |
| | **295,722,144** | 295,879,508 |

Advance against the purchase of property represents the payment made for the purchase of land in the Emirate of Dubai.

For the year ended March 31, 2020, the Group has not recorded any impairment of amounts owed by related parties (31 March 2019: AED NIL).

The amount receivable on sale of the Investment Portfolio (Note 3) has been guaranteed by Bin Zayed Group, a related party. The security provided by Bin Zayed Group against the amount receivable on sale of the Investment Portfolio is a plot of land located in Dubai, United Arab Emirates which was appraised by an independent property consultant at AED 640,000,000 as of 31 October 2008.

Bin Zayed Group has also undertaken to secure the balance due from related parties amounting to AED 295,722,144 (31 March 2019: AED 295,879,508) by the assignment of properties to the Group with fair value not less than an equivalent amount.

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
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"All amounts are in U.A.E. Dirham unless otherwise stated"

b) Balances due to related parties included in the consolidated statement of financial position are as follows: -

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Other related parties | **45,516,523** | 43,616,976 |
| | ========= | ========= |
| Directors' fee payable | **600,000** | 600,000 |
| | ========= | ========= |

## 5- CASH AND CASH EQUIVALENTS

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Cash on hand | **1,043** | 9,312 |
| Cash at banks – current accounts | **3,752** | 19,192 |
| | --------------- | --------------- |
| | **4,795** | 28,504 |
| | ========= | ========= |

## 6- PROPERTY, PLANT AND EQUIPMENT

| | **Leasehold improvement** | **Equipment and other assets** | **Furniture and fixture** | **Total** |
|---|---|---|---|---|
| **Cost:** | | | | |
| Balance at March 31, 2019 | 12,828,779 | 10,097,496 | 2,766,269 | 25,692,544 |
| Disposal during the year | - | (86,000) | - | (86,000) |
| **Balance at March 31, 2020** | **12,828,779** | **10,011,496** | **2,766,269** | **25,606,544** |
| **Depreciation:** | | | | |
| Balance at March 31, 2019 | 9,314,039 | 5,376,576 | 2,415,214 | 17,105,829 |
| Depreciation for the year | 2,445,675 | 1,565,453 | 351,055 | 4,362,183 |
| Disposal during the year | - | (86,000) | - | (86,000) |
| **Balance at March 31, 2020** | **11,759,714** | **6,856,029** | **2,766,269** | **21,382,012** |
| **Net book values:** | | | | |
| **Balance at March 31, 2020** | **1,069,065** | **3,155,467** | **-** | **4,224,532** |
| | ======== | ======== | ======== | ======== |
| Balance at March 31, 2019 | 3,514,740 | 4,720,920 | 351,055 | 8,586,715 |
| | ======== | ======== | ======== | ======== |

**AL FIRDOUS HOLDINGS (P.J.S.C.)**
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"All amounts are in U.A.E. Dirham unless otherwise stated"

## 7- OTHER PAYABLES AND PROVISIONS

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Accrued expenses | **1,730,859** | 1,083,050 |
| Directors' fee payable | **600,000** | 600,000 |
| Others | **2,214,592** | 2,206,108 |
| | **4,545,451** | 3,889,158 |

## 8- SHARE CAPITAL

The issued and fully paid up capital of the Company is AED 600,000,000 comprising of 600,000,000 No. of shares of AED 1 each.

## 9- STATUTORY RESERVE

As required by the company law of United Arab Emirates, 10% of the profit for the year is to be transferred to statutory reserve. The shareholders may resolve to discontinue such annual transfers as reserve equals one half of the share capital. The reserve is not available for distribution.

## 10- GENERAL, ADMINISTRATIVE AND SELLING EXPENSES

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Salaries and related benefits | **803,926** | 984,060 |
| Rent | **732,035** | 732,035 |
| Other | **461,786** | 670,517 |
| | **1,997,747** | 2,386,612 |

## 11- (LOSS) PER SHARE

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| (Loss) for the year | **(7,658,749)** | (6,935,315) |
| Weighted average number of ordinary shares for purposes of basic earnings | **600,000,000** | 600,000,000 |
| (Loss) per share | **(0.0127)** | (0.0115) |

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**
"All amounts are in U.A.E. Dirham unless otherwise stated"

## 12- STAFF COST

| | **March 31, 2020** | March 31, 2019 |
|---|---|---|
| Number of staff at year end | **1** | 55 |
| Salaries and related cost (General) | **409,035** | 557,569 |
| Leave and gratuity | **42,672** | 59,830 |
| Other | **352,219** | 366,661 |
| | **803,926** | 984,060 |

## 13- GENERAL ASSEMBLY OF SHAREHOLDERS

The ordinary general assembly of shareholders was held on July 18, 2019 who approved the financial statements for the year ended March 31, 2019.