

Yazi Capital

B.S.C (c)

Financial Report 2022



Years of
growth
2008-2023



Company Overview

Yazi Capital B.S.C.(C), also Known as "Yazi Capital" is a private Investment business firm licensed and regulated by the Central Bank of Bahrain. The Company was established in the Kingdom of Bahrain on 28th April 2008, and operates within the Asset Management , financial advisory services & Capital Markets sector.

Yazi Capital provides multiple investment opportunities that meet different investors' needs, commensurate with their different risk tolerance to strive to achieve their investment goals and aspirations to manage their funds, assets, and wealth. The Company also seeks to create a distinctive investment climate by providing innovative solutions and services..

In addition, Yazi Capital has continuous participation to assist in achieving Bahrain National Vision 2030. It also endeavors to contribute to the growth of the Bahraini economy and the development of human resources through conducting educational campaigns and training workshops to enrich the Bahraini society..



Administration and contact details

Administration and contact details as at 31 March 2022

Board of Directors

Dr. Ibrahim Abdulaziz Al Jammaz
Mr. Almangour Saad Hamad
Mr. Mohammed Salim A. Almarri
Mr. Abdulmohsin Abdullah
Mr. Alkadi Ahmad Mohammad
Mr. Almoajil Fahad Abdulaziz

- Chairman
- Director
- Director
- Director
- Director
- Director
- Director

Chief Executive Officer

Mohammed Al Mutlaq

Board Secretary

Najma Khadija Hajeeh

Audit and Risk Committee members

Ausama Abdulrahim Al-Khaja
Mohammad Salah Al-Ayoub
Abdullah Mohammed Al-Abduljader

- Chairman
- Vice-Chairman
- Member

Registered office

Flat 62, 4th floor, Al Raya building, Al Seef district, P.O. Box 2709, Manama, Kingdom of Bahrain.

Bankers

Bahrain Islamic Bank B.S.C.
Ithmaar Bank B.S.C.
Kuwait Finance House (Bahrain) B.S.C. (c)
Kuwait Finance House (Kuwait) K.S.C.P.
Boubyan Bank (Kuwait)
Khaleeji Commercial Bank B.S.C.
Al Baraka Islamic Bank B.S.C. (c)
Al Salam Bank, Bahrain B.S.C.

Auditors

Ernst & Young (EY)
P.O. Box 140
10th Floor, East Tower
Bahrain World Trade Center
Manama, Kingdom of Bahrain

In the name of Allah,The Beneficent,The Merciful

Board Report on the activities of Yazi Capital B.S.C.(C) For the Three Months Period Ended 31 March 2022.

All praise is due to Allah , Lord of the worlds, Prayers and Peace are upon the last messenger, our prophet Mohammed,his family and companions.

To the Shareholders of Yazi Capital B.S.C.(C)“**the Company**” ,

Acting as Board pursuant to the appointment resolution passed by the General Assembly of the Company and SSB meeting on Tuesday 10th May 2022 in State of Kuwait, we are required to provide the following report:

The SSB has reviewed the Company's principles, contracts related transactions, and applications submitted by the Company's management for the Three months period ended 31 March 2022 , and based on the auditor presentation of the Company's activities for the above mentioned period, and comparing it with the fatwa and rulings issued.

The Company's management is responsible for ensuring that the Company conducts its business in accordance with the Islamic Rules and principles. It is our responsibility to form an independent opinion, based on our review of the Company's operations and to report to you.

We planned and performed our review so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company has not violated Islamic Shari rules and principles.

In our opinion:

The contracts and transactions concluded by the Company during the Three Months Period Ended 31 March 2022 that we have reviewed are in compliance with the Islamic Rules and Principles.

Also, the SSB has approved the financial statements and concluded that it's prepared in an acceptable form from Islamic Sharia view. The respective report has been prepared based on the information provided by the Company.

Prayers and Peace are upon the last messenger, our prophet Mohammed, his family and companions.

Dr. Ibrahim Abdulaziz Al Jammaz
Chairman

Mr. Almangour Saad Hamad Vice
Director

Mr. Mohammed Salim A. Almarri
Director

**REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF Yazi Capital B.S.C.**

Introduction

We have reviewed the accompanying interim consolidated statement of financial position as at

the related interim consolidated statements of income, changes in owners' equity, cash flows and sources and uses of charity fund for the three month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the accounting policies disclosed in note 2. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the accounting policies disclosed in note 2.



12 May 2022
Manama, Kingdom of Bahrain

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Reviewed	<i>Audited</i>
		31 March	<i>31 December</i>
		2022	2021
	<i>Note</i>	US\$ '000	US\$ '000
ASSETS			
Cash and bank balances	4	26,378	26,376
Accounts receivable	5	20,433	20,411
Investments	6	14,662	12,964
Investment in joint ventures and associates	7	95,139	95,048
Investment in real estate	8	79,100	79,524
Property, plant and equipment	9	8,299	8,361
Right of use asset	10	237	264
Other assets	11	1,499	531
TOTAL ASSETS		245,747	243,479
LIABILITIES AND OWNERS' EQUITY			
Liabilities			
Other liabilities and accounts payable	12	69,997	69,123
Ijarah liability		223	274
Financing from a bank		5,867	5,757
Total liabilities		76,087	75,154
Owners' Equity			
Share capital		120,334	120,334
Less: Treasury shares		(1,309)	(1,309)
		119,025	119,025
Reserves		6,864	6,864
Retained earnings		18,490	17,198
Equity attributable to Parent's shareholders		144,379	143,087
Non-controlling interest		25,281	25,238
Total owners' equity		169,660	168,325
TOTAL LIABILITIES AND OWNERS' EQUITY		245,747	243,479

INTERIM CONSOLIDATED STATEMENT OF INCOME

	Note	Three months ended	
		31 March	
		2022	2021
		US\$ '000	US\$ '000
OPERATING INCOME			
Net income from construction contracts	13	224	414
Income from investment in real estate	14	1,447	823
Fee for management and other services - net		1,461	299
Net share of income / (loss) from investment in joint ventures and associates	7	91	(47)
Other income	15	225	438
TOTAL OPERATING INCOME		3,448	1,927
OPERATING EXPENSES			
Staff costs		1,005	1,096
General and administrative expenses		492	589
Property related expenses		463	264
Financing costs		77	72
Depreciation	9	99	184
Net ijarah cost		31	
TOTAL OPERATING EXPENSES		2,167	2,205
NET OPERATING INCOME / (LOSS)		1,281	(278)
Net reversal of expected credit losses	4 & 5	54	288
PROFIT FOR THE PERIOD		1,335	10
Attributable to			
Equity shareholders of the parent		1,292	(74)
Non-controlling interest		43	84
PROFIT FOR THE PERIOD		1,335	10
BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE (US cents)	16	0.43	(0.02)

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Mohammed Al Mutlaq
Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	<i>Equity attributable to Parent's shareholders</i>						<i>Non-controlling interest</i>	<i>Total owners' equity</i>
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Statutory reserve</i>	<i>Reserves</i>		<i>Total equity</i>		
				<i>Fair value through equity reserve</i>	<i>Retained earnings</i>			
<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	<i>US\$ '000</i>	
As of 1 January 2022	120,334	(1,309)	4,651	2,213	17,198	143,087	25,238	168,325
Profit for the period	-	-	-	-	1,292	1,292	43	1,335
At 31 March 2022	120,334	(1,309)	4,651	2,213	18,490	144,379	25,281	169,660
As of 1 January 2021	120,334	(1,309)	4,576	1,495	16,527	141,623	25,107	166,730
Cumulative movement in fair value of investments	-	-	-	595	-	595	-	595
(Loss) / profit for the period	-	-	-	-	(74)	(74)	84	10
At 31 March 2021	120,334	(1,309)	4,576	2,090	16,453	142,144	25,191	167,335

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Three months ended	
		31 March	
		2022	2021
		US\$ '000	US\$ '000
OPERATING ACTIVITIES			
Profit for the period		1,335	10
Adjustments for:			
Depreciation	9	143	243
Net ijarah cost		31	-
Net share of (income) / loss from investment in joint ventures and associates	7	(91)	47
Net reversal of ECL	4 & 5	(54)	(288)
		1,364	12
Net changes in operating assets and liabilities:			
Short-term deposits (with an original maturity of more than 90 days)	4	(5,658)	(7,476)
Accounts receivable		634	(2,236)
Other assets		(968)	(11)
Accounts payable		874	(653)
Ijara payment		(55)	-
Net cash used in operating activities		(3,809)	(10,364)
INVESTING ACTIVITIES			
Proceeds from capital reduction for FVTE investment		292	-
Purchase of investment		(1,990)	-
Additional capitalisation of investment in real estate	8	(155)	(1,029)
Purchase of property, plant and equipment	9	(81)	(56)
Net cash used in investing activities		(1,934)	(1,085)
FINANCING ACTIVITY			
Net movement in financing from a bank		110	72
Net cash from financing activity		110	72
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		(5,633)	(11,377)
Cash and cash equivalents at the beginning of the period	4	18,642	17,568
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	13,009	6,191

INTERIM CONSOLIDATED STATEMENT OF SOURCES AND USES OF CHARITY FUND

	<i>Three months ended</i>	
	<i>31 March</i>	
	2022	2021
	US\$ '000	US\$ '000
Sources of charity funds		
Undistributed charity funds at the beginning of the period	24	24
Contributions by the Company	-	-
Total sources of charity funds	24	24
Undistributed charity funds at end of period	24	24