



الخليج الإستثمارية ش.م.ع.  
AL KHALEEJ INVESTMENT P.J.S.C

**BOARD OF DIRECTOR REPORT FOR THE QUARTER ENDED March 31, 2020**

Dear Shareholders

Greeting!

On the Behalf of Board of Directors of AL Khaleej Investments PJSC. We feel immense pleasure to present the consolidated financial statement of AL Khaleej Investment PJSC with its Subsidiaries for the quarter ended March 31, 2020.

**GENERAL OVERVIEW**

Since the beginning of 2020, the real estate sector has shown a downward curve, especially in the first quarter of the year with a relative rise in the second quarter, as a result of the negative impact of the COVID19 virus pandemic on most sectors and economic activities in the country. Therefore, the trend was to exploit such circumstances in speeding up the completion of some maintenance activities in some buildings to be ready for the return of economic activity in the near future.

As for investment activities, despite of the general decline in the share prices of the stock indexes in general, trading activities have made a significant profit. Efforts are intensified to maintain and even exceed the achieved Year-to-Date trading rate of return in the rest of year.

**FINANCIAL PERFORMANCE**

The comparison of reviewed consolidated accounts for the Quarter ended March 31, 2020 with the corresponding period of fiscal year 2019 are given below:-

	CONSOLIDATED	
	March 31 2020	March 31 2019
	Million (AED)	
Revenue	5.11	6.18
Gross Profit	4.38	4.92
Loss from the Investment held at Fair value through P&L	-13.51	-6.34
Net Profit	-9.94	-1.93
Earnings per share	-0.09	-0.02
Shareholders' Equity	268	278
Occupancy	86%	88%

Revenues for the Quarter ended March 31, 2019 were AED. 6.18 million Compared to AED. 5.11 million In the Quarter of previous fiscal year. Main reason for decrease in revenues is the reduction of occupancy because of COVID19. Gross profit was AED. 4.38 million As compared to AED. 4.92 million In the corresponding period. Gross profit has declines only because of reduction in revenues. As a percentage of Revenue, gross profit increased from 79.6% in the corresponding period to 85.8% in the current period. Recorded Loss from the investment held



الذليح الإستثمارية ش.م.ع.  
AL KHALEEJ INVESTMENT P.J.S.C

fair value through P&L during the current period is 13.51 which is because of clumsiness of market caused by COVID 19 witch compare to last year loss 6.34 million. The company posted net loss of AED. 9.96 million In the current period compared to a net loss of AED. 1.93 million In the same period last year. Basic earnings per share was negative 9 fils compared to negative 2 file in comparative year.

#### FUTURE OUTLOOK


Board of directors are hopeful that current situation would improve gradually for current year as the lock down is expected to be lifted in short period of time, BOD are Hopefully, bracing of lock down would accelerate the economic activities in no time. However, the main reason on being in loss is loss from investment held at fair value though P&L, which, we believe, will improve with resumption of economic activities after Lockdown.

#### ACKNOWLEDGEMENT

The Board of Directors places on record its appreciation for the continued support by its shareholders, valued customers, government agencies and financial institutions which enabled the company to survive during these difficult time. The board would also like to express its appreciation for the services, loyalty and efforts being continuously rendered by the executives and all the staff members of the company and hope that they will continue with the same spirit in future. On behalf of the Board

Abdulaziz Abdulla Salem Jasem Al Zaabi	Chairman
Ahmed Salem Abdulla Salem Alhosani	Vice Chairman
Abdulrahman Jasem Obaid Alabdouli	Managing Director
Mohammed Hasan Mohammed Alshamsi Alawadhi	Board Member
Haytham Ahmed Essa Ahmed Alnaeem	Board Member
Abdullateef A R Alzeer	Board Member
Sultan Khalfan Alghaith Almarri	Board Member



  
Abdulrahman Jasem Al Abdouli  
Managing Director