



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

**BOARD OF DIRECTOR REPORT FOR THE HALF YEAR ENDED JUNE 30, 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 half year ended June 30, 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 second half of the year.

**FINANCIAL PERFORMANCE**

The comparison of reviewed consolidated accounts for the half year ended June 30, 2020 with the corresponding period of fiscal year 2019 are given below:

	CONSOLIDATED	
	June 30 2020	June 30 2019
	Million (AED)	
Revenue	10.05	12.12
Gross Profit	8.56	10.16
Loss from the Investment held at Fair value through P&L	(12.08)	(6.35)
Net Profit	(6.19)	1.39
Earnings per share	(0.06)	0.01
Shareholders' Equity	272	314
Occupancy	87%	92%

Revenues for the Half year ended June 30, 2019 were AED. 12.12 million Compared to AED. 10.05 million In the half year of previous fiscal year. Main reason for decrease in revenues is the reduction of occupancy because of COVID19. Gross profit was AED. 10.16 million As compared to AED. 8.56 million In the corresponding period.



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Gross profit has declines only because of reduction in revenues. As a percentage of sales, gross profit increased from 84% in the corresponding period to 85% in the current period. Recorded Loss from the investment held at fair value through P&L during the current period is 12.08 which is because of clumsiness of market caused by COVID 19 witch compare to last year loss 6.35 million. The company posted net loss of AED. 6.19 million In the current period compared to a net profit of AED. 1.39 million In the same period last year. Basic earnings per share was negative 6 fils compared to one file in comparative year.

#### FUTURE OUTLOOK

Board of directors are hopeful that current situation would improve in second half of current year as the world has managed to persist with COVID19 pandemic. Evidently, markets and business are resuming after Pandemic lockdown. Hopefully, the company would achieve its targeted occupancy which would result positive in gross profit. 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.

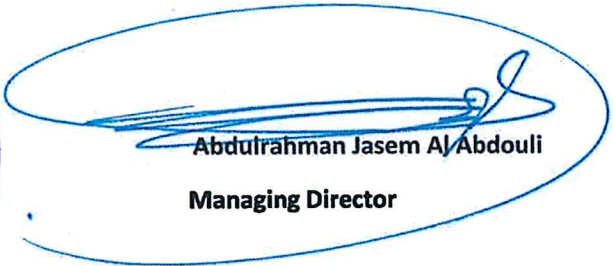
#### ACKNOWLEDGEMENT

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  
Ahmed Salem Abdulla Salem Alhosani  
Abdulrahman Jasem Obaid Alabdouli  
Mohammed Hasan Mohammed Alshamsi Alawadhi  
Haytham Ahmed Essa Ahmed Alnaeem  
Abdulateef A R Alzeer  
Sultan Khalfan Alghaith Almarri

Chairman  
Vice Chairman  
Managing Director  
Board Member  
Board Member  
Board Member  
Board Member



  
Abdulrahman Jasem Al Abdouli  
Managing Director