

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION Three month period ended

31 March 2021



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BH MUBASHER FINANCIAL SERVICES PSC CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

For the three-month period ended 31 March 2021

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Shareholders BH Mubasher Financial Services PSC

We have reviewed the accompanying condensed consolidated interim financial information of BH Mubasher Financial Services PSC ("the Company") and its subsidiary (collectively referred to as "the Group) as at 31 March 2021, comprising of the condensed consolidated interim statement of financial position as at 31 March 2021 and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes, prepared for interim reporting purposes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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 condensed consolidated interim financial information does not give a true and fair view of the financial position of the Group as at 31 March 2021, and of its financial performance and its cash flows for the three-month period then ended in accordance with International Financial Reporting Standards.

RSM Dahman

Ahmed Mohamed Salem Bamadhaf Registration No.: 459 Dubai, United Arab Emirates 29 April 2021

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION 31 March 2021

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	Mata	31 March 2021 AED	31 December 2020 AED (Audited)
ASSETS	Note	(Un-audited)	(Audited)
NON-CURRENT ASSETS			
Goodwill and other intangible assets Property and equipment Investment properties Financial assets through other comprehensive inco	4 5 me 6	42,923,661 11,585,307 5,250,000 3,753,946	43,122,735 11,401,822 5,250,000 3,753,946
Total non-current assets		63,512,914	63,528,503
CURRENT ASSETS			
Short term deposit under lien Prepayments and other receivables Financial assets through profit and loss Cash and bank balances	7 6 9	13,101,000 158,873,333 10,208,004 198,718,971	13,101,000 170,798,795 8,848,421 220,933,543
Total current assets		380,901,308	413,681,759
Total assets	ş	444,414,222	477,210,262
EQUITY AND LIABILITIES CAPITAL AND RESERVES		n 19 jan 1	
Share capital Treasury shares Legal reserve Fair value through OCI reserve Retained earnings Merger reserve	10 10(a) 10(b) 10(c)	563,841,748 (2,000,000) 4,241,735 (115,793) 4,665,392 (390,410,680)	563,841,748 (2,000,000) 4,241,735 (115,793) 2,401,109 (390,410,680)
- Total equity		180,222,402	177,958,119
NON-CURRENT LIABILITIES			
Bank borrowings Employees' end of service benefits	11	4,063,766 2,044,681	4,243,050 1,766,165
Total non-current liabilities		6,108,447	6,009,215
CURRENT LIABILITIES			
Trade and other payables Bank borrowings	12 11	257,366,237 717,136	292,525,792 717,136
Total current liabilities		258,083,373	293,242,928
Total equity and liabilities Independent auditors' review report on page 1.	~ (444,414,222	477,210,262
	`		
	Abdel Hadi AL Sa	di	

CEO

The attached notes 1 to 19 form an integral part of the condensed interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME Three Months Ended 31 March 2021

		Three months	s ended
		31 March 2021	31 March 2020
INCOME	Note	AED (Un-audited)	AED (Un-audited)
		,	,
Commission income Income from margin trading		8,240,146 3,692,070	4,329,501 2,650,191
Finance income		17,048	378,050
Other Income	_	1,170,871	77,893
		13,120,135	7,435,635
EXPENSES			
General and administrative expenses	15	(11,253,626)	(7,689,885)
Financial charges		(139,304)	(357,394)
Net gain (loss) on the investment at the fair value	_	537,078	(819,174)
		(10,855,852)	(8,866,453)
PROFIT / (LOSS) FOR THE PERIOD	_	2,264,283	(1,430,818)
STATEMENT OF COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Other comprehensive income		-	
Net other comprehensive income not to be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss:			
Net other comprehensive (loss) to be reclassified subsequently to profit or loss	_		<u>-</u>
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	_	2,264,283	(1,430,818)
Basic and diluted earnings / (loss) per share (AED per share)		0.00	(0.00)

The attached notes 1 to 19 form an integral part of the condensed interim financial information.

Condensed Consolidated Interim Statement of Changes in Equity

Three Months Ended 31 March 2021

	1110						
	Share capital AED	Treasury reserve AED	Legal shares AED	Merger reserve AED	Fair value through OCI AED	(Accumulated losses) / Retained earnings AED	Total AED
	Note 10	Note 10(a)	Note 10(b)	Note 10(c)			ALD
Balance at 1 January 2020	563,841,748	(2,000,000)	3,664,641	(390,410,680)	(115,793)	(2,792,736)	172,187,180
Total comprehensive loss for the period						. , ,	
Loss for the period	-	-	-	-	-	(1,430,818)	(1,430,818)
Other comprehensive income for the period							
Total comprehensive loss for the period	_	-	-	-	-	(1,430,818)	(1,430,818)
Balance at 31 March 2020	563,841,748	(2,000,000)	3,664,641	(390,410,680)	(115,793)	(4,223,554)	170,756,362
Balance at 1 January 2021	563,841,748	(2,000,000)	4,241,735	(390,410,680)	(115,793)	2,401,109	177,958,119
Total comprehensive profit for the period							
Profit for the period	-	-	-	-	-	2,264,283	2,264,283
Other comprehensive income for the period Total comprehensive profit for the period						0.064.080	0.064.080
	-	-	-	-	-	2,264,283	2,264,283
Balance at 31 March 2021	563,841,748	(2,000,000)	4,241,735	(390,410,680)	(115,793)	4,665,392	180,222,402

The attached notes 1 to 19 form an integral part of the condensed interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASHFLOWS

Three Months Ended 31 March 2021

	Three months ended	
	31 March 2021 AED (Un-audited)	31 March 2020 AED (Un-audited)
OPERATING ACTIVITIES	(On addited)	(on dualica)
Profit / (loss) for the period Adjustment for:	2,264,283	(1,430,818)
Depreciation on property and equipment Amortisation of intangible assets Unrealized gain on investment Interest on bank borrowings Interest income on deposits Exchange gain Provision for employees' end of service benefits	458,350 199,075 184,551 38,587 (17,048) (467,997) 281,867	442,197 204,104 - (378,050) (77,863) 174,686
Operating profit / (loss) before working capital changes	2,941,668	(1,065,744)
Change in short term deposit under lien Change in prepayments and other receivables Change in due from related parties	- 11,925,461 -	25,000,000 4,423,297 (37,238,545)
Change in trade and other payables	(10,278,454)	44,854,110
Interest received on deposits Payment of gratuity	4,588,675 17,048 (3,351)	35,973,118 378,050 -
Cash flow from operating activities	4,602,372	36,351,168
INVESTING ACTIVITIES		
Purchase of furniture and equipment Purchase of financial assets through profit and loss Disposal of financial assets through profit and loss	(641,834) (1,544,134) 	(105,466) (7,130,391) 1,419,966
Cash flow from investing activities	(2,185,968)	(5,815,891)
FINANCING ACTIVITIES		
Repayment of bank borrowings Repayment of short term loan	(179,284)	(179,284) (24,000,000)
Interest paid on bank borrowings	(38,587)	-
Cash used in financing activities	(217,871)	(24,179,284)
INCREASE IN CASH AND CASH EQUIVALENTS Exchange Gain	2,198,533 467,997	6,355,993 77,863
Net Increase in cash and cash equivalents after exchange loss Cash and cash equivalents at 1 January	2,666,530 20,307,515	6,433,856 3,975,326
CASH AND CASH EQUIVALENTS AT 31 MARCH	22,974,045	10,409,182

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASHFLOWS

Three Months Ended 31 March 2021

	31 March 2021 AED	31 March 2020 AED
<u>Represented by:</u> Cash and bank balances Client deposits	198,718,971 (175,744,926)	131,837,580 (121,428,398)
Cash and cash equivalents at the end of period	22,974,045	10,409,182

The attached notes 1 to 19 form an integral part of the condensed interim financial information

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION 31 March 2021

1 Legal status and principal activities

BH Mubasher Financial Services PSC ("the Company"), was incorporated on 11 March 2006 in accordance with the provisions of UAE Federal Law No. 2 of 2015.

On 14 July 2009, Al Safwa Islamic Financial Services established a subsidiary by subscribing to 10,000,000 shares of AED 1 each representing 100% equity shares in Al Safwa Capital LLC (the "subsidiary") incorporated in the Emirates of Sharjah in accordance with the provision of the UAE Federal Companies Law no. 2 of 2015. The principal activity of the subsidiary is to hold investment properties and investment securities.

On 26 November 2015 AI Safwa was listed on Dubai Financial Market ("DFM") as Private Joint Stock Company(PrJSC).

As further explained in note 4, on 8 December 2016, the operations of Mubasher Financial Services LLC ("MFS") merged with Al Safwa and the combined entity was renamed as Al Safwa Mubasher Financial Services PrJSC. The Company continues to be listed on the DFM as a Private Joint Stock Company.

The condensed consolidated financial information comprise of the Company and its wholly owned subsidiary, Al Safwa Capital LLC (collectively referred to as "the Group").

The principal activity of the Company is to act as an intermediary in dealings in shares, stocks, debentures and other securities including margin trading.

The registered office of the Company is P.O. Box 26730, Dubai, United Arab Emirates.

The consolidated financial information have been approved by Board of Directors on 29 April 2021.

2 SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

This condensed consolidated interim financial information for the three-months period ended 31 March 2021 has been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

a) <u>New and amended standards adopted by the Group:</u>

The following revised new and amended standards are adopted in condensed consolidated interim financial information.

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16)

The amendments provide temporary reliefs which address the temporary financial effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free profit rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a profit rate, equivalent to a movement in the market rate.
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.

These amendments had no impact on the condensed consolidated interim financial information of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

b) New and amended standards not effective and not yet adopted by the Group

At the date of the condensed consolidated interim financial information, the following other standards, amendments, and Interpretations have not been effective and have not been early adopted by the Group:

New and amended standards not effective and not yet adopted by the Group	Effective date
IFRS 17 Insurance Contracts	1 January 2023

Notes to the Condensed Consolidated Interim Financial Information (continued) 31 March 2021

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

b) <u>New and amended standards not effective and not yet adopted by the Group</u> (continued)

The Group is currently evaluating the impact of this new standard. The Group will adopt this new standard on the effective date.

3 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives, policies and procedures are consistent with those disclosed in the annual audited financial statements as at and for the year ended 31 December 2020.

4 GOODWILL AND OTHER INTANGIBLE ASSETS

Pursuant to a merger agreement between AI Safwa and MFS and shareholder resolutions of respective entities dated 21 January 2016, Ministerial Resolution number (499)/2016 issued by Ministry of Economy on 19 September 2016, and Emirates Securities and Commodities Authority ("ESCA") approval dated 11 October 2016 approving the merger, the Company commenced operations and traded as a combined entity under the revised name of BH Mubasher Financial Services PSC with effect from 8 December 2016, on completion of the formalities of the UAE exchanges. As a result of the merger goodwill and client relationship arose, goodwill is tested annually for the impairment and client relationship is being amortised over its useful life.

The movement in goodwill and other intangible assets during the year is as follows:

	Goodwill	Client relationships	Software	Total
	AED	AED	AED	AED
As at 1 January 2021	38,379,061	4,740,000	3,674	43,122,735
Amortisation for the period	-	(197,500)	(1,574)	(199,074)
As at 31 March 2021 (Un-audited)	38,379,061	4,542,500	2,100	42,923,661
As at 31 December 2020 (Audited)	38,379,061	4,740,000	3,674	43,122,735

5 INVESTMENT PROPERTIES

	Property under	
	construction	Total
	AED	AED
As at 1 January 2020	5,250,000	5,250,000
As at 31 December 2020 (Audited)	5,250,000	5,250,000
As at 31 March 2021 (Unaudited)	5,250,000	5,250,000

The investment property was under construction during the year that is why the Group did not yet started the depreciation on investments properties.

The fair value of Group's investment properties as at 31 March 2021 is AED 5.2 million (31 December 2020: 5.2 million based on unobservable market inputs (i.e. level 3).

The above investment property is on the name of ex vice chairman, Sheikh Mohammed Bin Ali Bin Rashid Al Nuaimi. He has confirmed that Group is the beneficial owner of this property.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (continued) 31 March 2021

6 FINANCIAL ASSETS

The Group have the following financial assets:

FINANCIAL ASSETS THROUGH OTHER COMPREHENSIVE INCOME

	31 March 2021	31 December 2020
	AED	AED
	(Un-audited)	(Audited
	AED	AED
Investment in National Mass Housing Company	3,753,946	3,753,946

This investment represents 2.5% of interest held in National Mass Housing Company ("NMHC"), a private joint stock company incorporated in the sultanate of Oman and primarily involved in real estate development.

FINANCIAL ASSETS THROUGH PROFIT AND LOSS

	31 March 2021	31 December 2020
	AED	AED
	(Un-audited)	(Audited)
Investments in local and foreign quoted shares	AED	AED
As at 1 January	8,848,421	1,034,613
Additions during the year	1,544,134	7,544,319
Fair value change during the period / year	(184,551)	269,489
As at 31 March / 31 December	10,208,004	8,848,421

Investment in securities classified as fair value through profit and loss (FVTPL) represent a portfolio of investments in local and foreign quoted shares.

7 PREPAYMENTS AND OTHER RECEIVABLES

	31 March 2021 AED	31 December 2020 AED
	(Un-audited)	(Audited)
Receivable from customers (note 7.1)	150,567,498	159,705,288
Allowances for expected credit losses (note 7.2)	(47,358)	(47,358)
	150,520,140	159,657,930
Prepayments	1,297,929	931,521
Other receivables:		
- Net settlement due from:		
- NASDAQ	12,575	101,385
Deposits	5,866,209	5,811,751
Receivable from broker	-	3,250,886
Others	1,176,480	1,045,322
	158,873,333	170,798,795

Notes to the Condensed Consolidated Interim Financial Information (continued) 31 March 2021

7 PREPAYMENTS AND OTHER RECEIVABLES (continued)

- **7.1** As at 31 March 2021, market value of securities held as collateral amounted to AED 3.5 billion (31 December 2020: AED 3.8 billion) against receivables from customers.
- 7.2 Movement in allowance for expected credit losses:

	31 March 2021 AED	31 December 2020 AED
	(Un-audited)	(Audited)
At 1 January	47,358	48,003
Reversal of provision	<u> </u>	(645)
At 31 March / 31 December	47,358	47,358

8 RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include, parent, subsidiaries, key management personnel or their close family members.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, executive or otherwise, of the Group. Transactions with related parties are conducted on terms agreed mutually between the parties.

Significant transactions with related parties during the period are as follows:

8(a) Transactions during the period

	<u>Three months ended</u>		
	31 March 2021	31 March 2020	
	AED	AED	
	(Un-audited)	(Un-audited)	
Salary and benefits provided to key management personnel	-		

9 CASH AND BANK BALANCES

	31 March 2021 AED	31 December 2020 AED
O should be d	(Un-audited)	(Audited)
Cash and bank		
- Group's deposits	22,974,045	20,305,391
- Petty cash	-	2,124
- Customers' deposits (note 9.1)	175,744,926	200,626,028
Cash and bank	198,718,971	220,933,543
Customer deposits	(175,744,926)	(200,626,028)
Cash and cash equivalents	22,974,045	20,307,515

9.1 In accordance with the regulations issued by the Emirates Securities and Commodities Authority ("SCA"), the Group maintains separate bank accounts for amounts received from its customers ("customer deposits") which are not available to the Group other than to settle transactions executed on behalf of such customers.

Notes to the Condensed Consolidated Interim Financial Information (continued) 31 March 2021

10 SHARE CAPITAL

	31 March 2021 Number of shares AED (Un-audited)	31 December 2020 Number of shares AED (Audited)
In issue at 1 January	563,841,748	563,841,748
In issue at 31 March / 31 December	563,841,748	563,841,748
Total paid in capital (AED)	563,841,748	563,841,748

10(a) Treasury shares

The treasury shares represent 2,000,000 shares of the Group held by Al Safwa Capital LLC, which is a 100% subsidiary of the Company.

10(b) Legal reserve

The legal reserve of the current and comparative year is those of Safwa, which is the legal acquirer. In accordance with UAE Federal Law (2) of 2015, a minimum of 10% of the annual profit is to be transferred to this non-distributable statutory reserve. Such transfers may cease when the statutory reserve becomes equal to half of the paid up share capital.

10(c) Merger reserve

The amount recognised as issued equity instruments in the condensed consolidated financial statements are determined by adding the issued equity of the legal acquiree (Mubasher Financial Services) outstanding immediately before the business combination to the fair value of the legal acquirer (AI Safwa Islamic Financial Services). However, the equity structure (i.e. the number and type of equity instruments issued) reflects the equity structure of AI Safwa Islamic Financial Services, including the ordinary shares issued by AI Safwa Islamic Financial Services to effect the merger. The difference between the share capital and statutory reserve of AI Safwa Islamic Financial Services and the equity value of the Group as per IFRS 3 was transferred to a merger reserve.

The calculation for balances outstanding on the merger reserve as at 31 March 2021 and 31 December 2020 is shown in the table below.

	31 March 2021 AED (Un-audited)	31 December 2020 AED (Audited)
Share capital of MFS transferred to merger reserve Less: share capital of Safwa outstanding Add: statutory reserve of MFS Less: statutory reserve of Safwa Add: Purchase consideration in business combination Add: treasury shares of Safwa	31,000,000 (563,841,748) 14,221,038 (3,631,718) 129,841,748 	31,000,000 (563,841,748) 14,221,038 (3,631,718) 129,841,748 2,000,000
Total	(390,410,680)	(390,410,680)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (continued) 31 March 2021

11 BANK BORROWINGS

	31 March 2021 AED (Un-audited)	31 December 2020 AED (Audited)
Bank borrowings (note 11.1)	4,780,902	4,960,186
Disclosed under statement of financial position as follows:		
Non-current portion of bank borrowings Current portion of bank borrowings	4,063,766 717,136	4,243,050 717,136
	4,780,902	4,960,186

11.1 In 2008, the Group was granted a forward Ijarah facility from the Islamic Bank to purchase an office space in the Emirate of Dubai. On 8 November 2012, the Group obtained the possession of office premises and the Ijarah facility of AED 24,051,620 was rescheduled to be repayable in 180 equal monthly instalments commencing from 8 December 2012. The Ijarah facility bears a profit rate of EIBOR plus 1.75% p.a. and is secured by a first degree registered mortgage over the property.

12 TRADE AND OTHER PAYABLES

	31 March 2021 AED (Un-audited)	31 December 2020 AED (Audited)
Customers' deposits	175,744,926	200,626,028
Customers' deposits with foreign markets	15,362,537	19,117,050
Net settlement due to:		
- Dubai Financial Market	3,328,569	9,375,706
- Abu Dhabi Securities Exchange	23,263,882	14,395,755
Short term advances	28,600,057	38,753,969
Other payables and accruals	11,066,266	10,257,284
Total trade and other payables	257,366,237	292,525,792

Trade payables mainly represent deposits from customers for the purpose of trading by the Group on their behalf.

13 CONTINGENT LIABILITIES

	31 March 2021 AED (Un-audited)	31 December 2020 AED (Audited)
Abu Dhabi Securities Exchange (ADX)	23,000,000	23,000,000
Dubai Financial Markets (DFM)	11,000,000	11,000,000
NASDAQ Dubai Limited (NASDAQ)	5,527,500	5,527,500
Securities and Commodities Authority (SCA)	1,000,000	1,000,000
	40,527,500	40,527,500

The guarantees issued are secured by fixed deposits of AED 13,101,000 (31 December 2020: AED 13,101,000).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (continued) 31 March 2021

14 COMMITMENTS

	31 March 2021	31 December 2020
	AED	AED
	(Un-audited)	(Audited)
Development expenditure on investment property	281,507	281,507

The Group has a commitment of development expenditure on investment properties amounting to AED 281,507 (31 December 2020: AED 281,507). The Group has signed an agreement with a contractor on 2 February 2014 to construct six sheds on land which is classified as investment property in the Group's condensed consolidated interim financial information. The total value of the contract is AED 2.6 million and as at the reporting date the Group has paid AED 2.38 million as per the agreement.

15 GENERAL AND ADMINISTRATIVE EXPENSES

	<u>Three months ended</u>	
	31 March 2021	31 March 2020
	AED	AED
	(Un-audited)	(Un-audited)
Staff cost	6,503,416	4,888,626
Trading cost	1,403,092	1,113,415
Depreciation	458,350	442,197
Amortization	199,075	204,104
Rent	106,514	139,905
Legal and Professional	156,250	35,425
Registration and licensing	204,903	201,084
Communication	81,922	174,375
Other expenses	2,140,104	490,754
	11,253,626	7,689,885

16 FAIR VALUE HIERARCHY OF ASSETS MEASURED AT FAIR VALUE

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
31 March 2021 (Un-audited)				
Financial assets – Investment at fair value through P&L	10,208,004	-	-	10,208,004
Financial assets – Investment at fair value through OCI		-	3,753,946	3,753,946
31 December 2020 (Audited)				
Financial assets – Investment at fair value through P&L	8,848,421	-	-	8,848,421
Financial assets – Investment at fair value through OCI	_	-	3,753,946	3,753,946

There is no movement in Investment at fair value through OCI and hence, a level 3 reconciliation is not presented.

Notes to the Condensed Consolidated Interim Financial Information (continued) 31 March 2021

17 OPERATING SEGMENTS

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group has two segments, one segment as its primary activity is to act as an intermediary in dealings in shares, stocks, debentures and other securities in the UAE and second segment is to provide advisory services to customers.

18 BASIS AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit or loss for the period attributable to owners of the Group by the weighted average number of shares outstanding during the period as follows:

	31 March 2021	31 March 2020
	AED	AED
	(Un-audited)	(Un-audited)
Profit / (Loss) for the period attributable to shareholders of the Group	2,264,283	(1,430,818)
Weighted average number of shares outstanding during the period	563,841,748	563,841,748
Basic and diluted earning / (loss) per share (AED per share)	0.00	(0.00)

19 COMPARATIVES

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in these condensed interim financial statements.