

**RA Invest Limited**

**INTERIM CONDENSED  
FINANCIAL STATEMENTS**

**31 DECEMBER 2013 (Unaudited)**

# RA Invest Limited

## INTERIM STATEMENT OF FINANCIAL POSITION

At 31 December 2013 (Unaudited)

	<i>Note</i>	<i>(Unaudited)</i> <b>31 December</b> <b>2013</b> <b>US\$ '000</b>
<b>ASSETS</b>		
Receivable from RA Holding Mudareb	3	<b>\$ 569,167</b>
<b>TOTAL ASSETS</b>		<b>569,167</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Sukuk obligation	3	<b>569,167</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 569,167</b>

# RA Invest Limited

## INTERIM STATEMENT OF INCOME

For the period from inception to 31 December 2013 (Unaudited)

	<i>Note</i>	<b>(Unaudited) Period from inception to 31 December 2013 US\$ '000</b>
<b>INCOME</b>		<b>\$ -</b>
<b>EXPENSES</b>		
Funding cost on Sukuk obligation		<b>(19,167)</b>
<b>Net loss for the period</b>		<b>\$ (19,167)</b>

## RA Invest Limited

### INTERIM STATEMENT OF CASH FLOWS

For the period from inception to 31 December 2013 (Unaudited)

*(Unaudited)*  
*Period from*  
*inception to*  
*31 December*  
*2013*  
*US\$ '000*

#### **OPERATING ACTIVITIES**

Net loss for the period

\$ (19,167)

Changes in operating assets or liabilities

Funding costs on Sukuk obligation

19,167

**Net cash from operating activities**

19,167

**Net movement in cash and cash equivalents**

-

Cash and cash equivalents at the beginning of the period

-

Cash and cash equivalents at the end of the period

\$ -

At 31 December 2013

## 1 INTRODUCTION

### **Corporate information:**

RA Invest Limited (the "Company" and "Rab-al-Maal") is a limited company incorporated in the Cayman Islands on 28 June 2013 with its registered office situated at the offices of Paget-Brown Trust Company Ltd., Boundary Hall, Cricket Square, P.O. Box 1111, Grand Cayman KY1-1102, Cayman Islands.

### **Activities:**

The Company has been formed pursuant to the terms of the Mudaraba Agreement dated September 16, 2013 (the "Mudaraba Agreement") to provide its capacities as Rab-al-Maal, as issuer of the \$550,000,000 Certificates issued in connection with the Plan of Reorganization (as defined below) and as trustee of the holders of the Certificates appointed under the Declaration of Trust dated on or about September 16, 2013 and entered into between RA Invest Limited (the "Issuer" and "Trustee"), RA Holding Mudareb Limited (the "Mudareb"), Wilmington Trust (London) Limited (the "Delegate" and "Security Trustee"). Pursuant to the terms of the Mudaraba Agreement, the Rab-al-Maal is to contribute the proceeds of the issue of the Certificates to the Mudareb, which proceeds will form the Mudaraba Capital. The Mudareb will invest the Mudaraba Capital in its general business activities and acquire the Mudaraba Assets. The purpose of the Mudaraba will be to earn profit from the Mudaraba Assets in accordance with the Investment Plan.

### **Background to the Company's incorporation:**

RA Holding is the Successor Company to Arcapita. On 19 March 2012, the Predecessor Company and five of its direct and indirect subsidiaries, Arcapita Investment Holdings Limited (AIHL), Arcapita LT Holdings Limited (ALTHL), AEID II Holdings Limited, RailInvest Holdings Limited and WindTurbine Holdings Limited (together, the "filing entities") filed voluntary petitions for reorganization under chapter 11 of the United States Bankruptcy Code ("Chapter 11"). On 17 September 2013, the Predecessor Company emerged from Chapter 11 reorganization pursuant to the terms of the Second Amended Joint Plan of Reorganization of Arcapita and related Debtors under Chapter 11 of the Bankruptcy Code (with First Technical Modifications) (the "Plan of Reorganization"). The Plan of Reorganization received the formal endorsement of the official committee of unsecured creditors appointed in the Chapter 11 cases and, as modified, was confirmed by an order of the U.S. Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") on 17 June 2013 (the "Confirmation Order"). The Predecessor Company is presently an indirectly majority owned subsidiary of the Successor Company.

Pursuant to the Plan of Reorganization and an "implementation memorandum" also approved in the Confirmation Order, the assets of the Predecessor Company were transferred to RA Group while the liabilities were either reinstated and transferred to the RA Group or cancelled in return for either, (a) with respect to a limited amount of claims, an entitlement to receive cash from RA Holding or certain of its affiliates or (b) equity instruments issued by RA Holding or debt instruments issued by RA Invest Limited, a Cayman Islands company formed for the purpose of issuing these Shariah compliant instruments.

At 31 December 2013

The Company does not have any employees, and the Company's limited operations are being overseen by its Board of Directors. The Company's activities are being managed by the Delegate and by Banque Internationale A' Luxembourg SA as paying agent.

This consolidated financial statement has been approved and authorised for issuance by the Board of Directors on 14 February 2014.

## **2 ACCOUNTING POLICIES**

### **2.1 Basis of preparation**

The financial statement has been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

This financial statement comprises of a statement of financial position of the Company, a summary of significant accounting policies and other explanatory information. This financial statement is the opening balance sheet, and therefore the statements of comprehensive income, cash flows and changes in equity have not been presented in this consolidated financial statement.

This consolidated financial statement represents the only financial statement issued for the Company.

The assets of the Company have been recorded at their fair values. The liabilities of the Company have been recognized at their estimated settlement amounts. The financial statement is presented in United States Dollars (US\$), which is the Group's functional currency, and all values are rounded to the nearest thousand (US\$ '000) except when otherwise indicated.

## **2 ACCOUNTING POLICIES (continued)**

### **2.2 Significant accounting judgements and estimates**

In the process of applying the Group's accounting policies, the Board of Directors has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statement:

### **2.3 Going concern**

The Company's Board of Directors has made an assessment of the Company's ability to continue as a going concern which will continue in connection with the activities of the RA Group's investment portfolio and selling down investments in a manner which will maximize returns to all shareholders, and is satisfied that the RA Group has the resources to continue in business for the foreseeable future. Furthermore, the Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the RA Group's ability to continue as a going concern. Therefore, the financial statement has been prepared on a going concern basis.

**2.4 Summary of significant accounting policies**

The significant accounting policies adopted in the preparation of the financial statement are set out below:

**2.5 Foreign currencies**

Transactions in foreign currencies are initially recorded in the relevant functional currency rate of exchange prevailing at the date of transaction.

Monetary assets and liabilities in foreign currencies are translated into United States Dollar at rates of exchange prevailing at the consolidated statement of financial position date. Any exchange gains and losses are taken to the statement of comprehensive income.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items in a foreign currency measured at fair value are translated using the exchange rates at the date when the fair value was determined.

**2.6.2 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**3 SUKUK OBLIGATION**

This represents the Sukuk obligation due from an affiliate of the Group, RA Holding Mudareb Limited with a face amount of US\$550 million plus accumulated profit for the period. The Sukuk obligation carried a profit rate of 12%.