

International Center for Biosaline Agriculture

**Financial statements
for the year ended 31 December 2020**



International Center for Biosaline Agriculture

Financial statements for the year ended 31 December 2020

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International Center for Biosaline Agriculture

CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|---------------------------------------|-------------------------|
| H.E. Razan Khalifa Al Mubarak (Chair) | United Arab Emirates |
| Dr. Abdelouahhab Zaid | United Arab Emirates |
| Mr. Essa AbdulRahman Al Hashemi | United Arab Emirates |
| Dr. Kanayo F. Nwanze | Nigeria |
| Mr. Mohammad Jamal Al Saati | Kingdom of Saudi Arabia |
| H.E. Mohammed Saif Al Suwaidi | United Arab Emirates |
| Dr. Ursula Schaefer-Preuss | Germany |
| Dr. Ren Wang | China |
| Dr. Ismahane Elouafi (ex-officio) | Canada |

Board Secretary

Mrs. Setta Tutundjian

Headquarters

International Center for Biosaline Agriculture
Academic City, Al Ain Road, Al Ruwayyah
P.O. Box 14660
Dubai, United Arab Emirates

Auditor

PricewaterhouseCoopers
Emaar Square, Building 5,
P O Box 11987, Dubai, UAE



Statement by the Chair of the ICBA Board of Directors

2020 proved to be a year of unprecedented disruption worldwide. The Covid-19 pandemic affected every industry in one way or another. The global research and development sector was no exception.

Like many other organizations, ICBA had to adjust its operations to the new circumstances. Early into the pandemic, the center put in place contingency plans to ensure business continuity. This helped to continue all internal and external projects and programs, minimize interruptions and delays, and meet the needs of the center's stakeholders. Thus, the center was also able to continue its recruitment process and hire nine new members of staff.

Moreover, the management established an Internal Emergency Committee in March 2020 to make sure that the center stayed up to date on and followed the guidelines and directives issued by relevant national and international bodies, introduced necessary precautionary measures in the workplace, and handled different situations in a coordinated and systematic way. As a result, although certain activities had to be put on hold or scaled down due to the travel and other restrictions, ICBA succeeded in reaching its main targets.

The center conducted 52 internal and external projects and programs aligned with seven of the Sustainable Development Goals (SDGs), targeting beneficiaries in Central Asia, the Middle East, North Africa, and sub-Saharan Africa. Most of them were geared towards the targets of SDG 1 (No Poverty) and SDG 2 (Zero Hunger) to varying degrees.

On the research and development front, the center, for example, carried out genome-wide association studies of quinoa in the UAE to identify traits contributing to the plant's adaptability, yield, and grain quality, as well as multi-environment trials in Bhutan, the Lao People's Democratic Republic, Egypt, Tunisia, Togo, Uzbekistan, and Mozambique.

It also conducted genomic studies to better understand the resistance mechanisms in some date palm varieties to red palm weevil - the most dangerous pest in the Middle East and North Africa region.

ICBA continued to concentrate its efforts on transferring knowhow and technology in different countries. To facilitate the adoption of integrated agri-aquaculture systems which use reject brine and seawater to grow fish and halophytic plants, the center helped to install small-scale desalination units in several farming areas in Egypt and the UAE.

It also distributed seed of improved genotypes of salt-tolerant food and forage crops to hundreds of farmers in various parts of Ethiopia and South Sudan for cultivation.

On the partnership front, ICBA continued strengthening existing and building new relationships at various levels despite the pandemic-induced constraints. A total of 19 memoranda of understanding were signed with new partners - half of which were with the private sector. The center also concluded 13 project agreements, including three for testing technologies of private companies at ICBA's research station.

On the capacity development front, one of the highlights was the graduation of 22 fellows from Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia from the Arab Women Leaders in Agriculture (AWLA), a ten-month-long program which was launched in 2019.

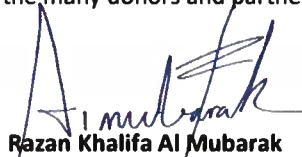
The center shifted its focus to online platforms for hosting training courses and other events. It organized four online technical courses for 136 professionals from Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Palestine, Saudi Arabia, Tunisia, the UAE, and Uzbekistan.

ICBA also hosted 34 interns from India, Jordan, Morocco, and the UAE and offered four post-doctoral fellowships.

And, as part of knowledge-sharing efforts, 56 articles were published in peer-reviewed journals and books.

On the financial front, the center's financial position remains stable, with the total assets of USD 25.64 million (USD 27.89 million in 2019) and net assets of USD 19.27 million (USD 18.16 million in 2019). The reserves, when expressed in terms of operating days, are strong as compared to the standards set by other similar international research organizations. The center did not operate an overdraft with any of its bankers during the year. The short-term solvency (liquidity) as of 31 December 2020 was 763 days (513 days in 2019) against a benchmark of 90-120 days. The long-term financial stability (adequacy of reserves) as of 31 December 2020 was 733 days (494 days in 2020) against a minimum benchmark of 90 days. The center's expenditures showed a decline of 27% as the operations were affected by several restrictions caused by the pandemic (USD 8.19 million in 2020; USD 11.21 million in 2019).

On behalf of the Board of Directors, I would like to thank the center's management and staff for their commendable performance and dedication during the unprecedented year. I also wish to thank the many donors and partners for their support and commitment to ICBA's vision and mission.



Razan Khalifa Al Mubarak

Chair of the ICBA Board of Directors

31 May.2021

International Center for Biosaline Agriculture

Statement of management's responsibilities

The accompanying annual financial statements of International Center for Biosaline Agriculture for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) that requires management to prepare financial statements for each financial year that give a true and fair view of the statement of financial position of the Center as at the end of the financial year and of its operating results for the year.

It also requires management to ensure that the Center keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Center. Management is also responsible for safeguarding the assets of the Center.

Management accepts responsibility for the preparation and fair presentation of financial statements which are free from material misstatements whether due to fraud or error. They also accept responsibility for:

- (i) Designing, implementing and maintaining internal control necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error;
- (ii) Selecting and applying appropriate accounting policies; and
- (iii) Making accounting estimates and judgements that are reasonable in the circumstances.

Management is of the opinion that the financial statements give a true and fair view of the state of the financial position of the Center and of its operating activities for the year ended 31 December 2020.

Nothing has come to the attention of management to indicate that the Center will not remain a going concern for at least twelve months from the date of this statement.


Dr. Takifa Alzaabi
Acting Director General



Independent auditor's report to the Directors of International Center for Biosaline Agriculture

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of International Center for Biosaline Agriculture (the "Center") as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Center's financial statements comprise:

- the statement of financial position as at 31 December 2020;
- the statement of activities and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Center in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the 'Statement by the Chair of the Board of Directors' and 'Statement of management's responsibilities' (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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Mohamed ElBorno, Jacques Fakhoury, Douglas O'Mahony and Rami Sarhan are registered as practising auditors with the UAE Ministry of Economy



Independent auditor's report to the Directors of International Center for Biosaline Agriculture (continued)

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Center's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Center or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Center's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Center's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Center to cease to continue as a going concern.



Independent auditor's report to the Directors of International Center for Biosaline Agriculture (continued)

Auditor's responsibilities for the audit of the financial statements

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers
31 May 2021

A handwritten signature in blue ink, appearing to read 'Jacques Fakhoury', is written over a horizontal line.


Jacques Fakhoury
Registered Auditor Number 379
Dubai, United Arab Emirates

International Center for Biosaline Agriculture

Statement of financial position

| | Note | As at 31 December | |
|--|------|-------------------|-----------------|
| | | 2020 USD'000 | 2019 USD'000 |
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | 5 | 3,839 | 4,066 |
| Right of use assets | 18 | 59 | 98 |
| | | <u>3,898</u> | <u>4,164</u> |
| Current assets | | | |
| Inventories | | 53 | 56 |
| Accounts receivables | 6 | 831 | 954 |
| Short-term deposits | 7 | 13,620 | 13,620 |
| Cash and cash equivalents | 7 | 7,238 | 9,095 |
| | | <u>21,742</u> | <u>23,725</u> |
| Total assets | | <u>25,640</u> | <u>27,889</u> |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Reserves – Designated | 8 | 15,397 | 15,397 |
| Reserves – Undesignated | | 3,877 | 2,762 |
| Total equity | | <u>19,274</u> | <u>18,159</u> |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Lease liability | 18 | 26 | 64 |
| Provision for employees' end of service benefits | 9 | 587 | 484 |
| | | <u>613</u> | <u>548</u> |
| Current liabilities | | | |
| Lease liability | 18 | 38 | 39 |
| Accounts payables | 10 | 3,141 | 6,423 |
| Deferred income – restricted | 10 | 2,574 | 2,720 |
| | | <u>5,753</u> | <u>9,182</u> |
| Total liabilities | | <u>6,366</u> | <u>9,730</u> |
| Total equity and liabilities | | <u>25,640</u> | <u>27,889</u> |

The financial statements were approved by the Board of Directors on 31 MAY 2021 and signed on its behalf by:


 Dr. Tarija Alzaabi
 Acting Director General

International Center for Biosaline Agriculture

Statement of activities and other comprehensive income

| | Note | Year ended 31 December | |
|---|------|------------------------|-----------------|
| | | 2020 USD'000 | 2019 USD'000 |
| Grants income | 11 | 8,999 | 10,929 |
| Other income | | 21 | 34 |
| Research and collaborator expenses | 12 | (6,004) | (8,750) |
| General and administrative expenses | 12 | (2,169) | (2,464) |
| Operating surplus/(deficit) for the year | | <u>847</u> | <u>(251)</u> |
| Finance income - net | 14 | 268 | 337 |
| Surplus for the year | | <u>1,115</u> | <u>86</u> |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | <u>1,115</u> | <u>86</u> |

International Center for Biosaline Agriculture

Statement of changes in equity

| | Reserves - Designated | | | | | Total USD'000 |
|--|--------------------------------------|--|-------------------------------------|-------------------------|---------------------------------------|------------------|
| | Property and equipment USD'000 | Capital replacement/ acquisitions USD'000 | Emergency contingency USD'000 | Sub total USD'000 | Reserves - Undesignated USD'000 | |
| Balance at 1 January 2019 | 4,712 | 6,831 | 3,854 | 15,397 | 2,678 | 18,075 |
| Net changes in investment in property and equipment | (646) | 646 | - | - | - | - |
| Adoption of IFRS 16 'Leases' | - | - | - | - | (2) | (2) |
| Total comprehensive income for the year | - | - | - | - | 86 | 86 |
| Balance at 31 December 2019 | 4,066 | 7,477 | 3,854 | 15,397 | 2,762 | 18,159 |
| Net changes in investment in property and equipment | (227) | 227 | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 1,115 | 1,115 |
| Balance at 31 December 2020 | 3,839 | 7,704 | 3,854 | 15,397 | 3,877 | 19,274 |

International Center for Biosaline Agriculture

Statement of cash flows

| | Note | Year ended 31 December | |
|---|------|------------------------|-----------------|
| | | 2020 USD'000 | 2019 USD'000 |
| Cash flows from operating activities | | | |
| Surplus for the year | | 1,115 | 86 |
| Adjustments for: | | | |
| Depreciation | 5 | 506 | 841 |
| Depreciation of right for use | 18 | 39 | 36 |
| Interest expense for lease liability | 18 | 6 | 7 |
| Provision for employees' end of service benefits | 9 | 175 | 190 |
| Gain on disposal of property and equipment | | (5) | (15) |
| Operating cash flows before payment of employees' end of service benefits and changes in working capital | | 1,836 | 1,145 |
| Payment of employees' end of service benefits | 9 | (72) | (89) |
| Changes in working capital: | | | |
| Accounts receivables | | 123 | (968) |
| Inventories | | 3 | (29) |
| Accounts payables and deferred income | | (3,428) | 1,563 |
| Net cash flows (used in)/ generated from operating activities | | (1,538) | 3,558 |
| Cash flows from investing activities | | | |
| Additions of short-term deposits | | - | 1,090 |
| Purchase of property and equipment | 5 | (280) | (195) |
| Proceeds from disposal of property and equipment | | 6 | 15 |
| Net cash flows (used in)/ generated from investing activities | | (274) | 910 |
| Cash flows from financing activity | | | |
| Payment of principal elements of leases | 18 | (45) | (40) |
| Net (decrease)/increase in cash and cash equivalents | | (1,857) | 4,428 |
| Cash and cash equivalents at beginning of the year | | 9,095 | 4,667 |
| Cash and cash equivalents at end of the year | 7 | 7,238 | 9,095 |

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020

1 Legal status and activities

International Center for Biosaline Agriculture, Dubai, (the “Center”), is an international research and development institution, established in pursuance of Articles of Agreement signed between the Islamic Development Bank (IsDB) and the Government of the United Arab Emirates (Government) in 1996 (Hijri 1416). The Center commenced its operations in Dubai, United Arab Emirates in September 1999. The registered address of the Center is P.O. Box 14660, Dubai, United Arab Emirates.

The Center is a not for profit organization. The principal activities of the Center is to undertake research and development and to facilitate the transfer and use of biosaline agriculture technology in the areas of cultivation and production of crops, forages, ornamentals, trees and plants that are salt tolerant. It is a unique applied agricultural research center in the world with a focus on marginal areas where an estimated 1.7 billion people live. The Center identifies, tests and introduces resource-efficient, climate-smart crops and technologies that are best suited to different regions affected by salinity, water scarcity and drought. Through its work, ICBA helps to improve food security and livelihoods for some of the poorest rural communities around the world.

An agreement was signed between the Government and IsDB on 23 June 1996, whereby it was agreed that IsDB would finance the Center and cover the operational budget for 10 years from the commencement of its operations, within a budget limit allocated by IsDB. The support from IsDB under the above agreement came to a conclusion at the end of 2009. On 12 April 2010, a new agreement was signed, effective 1 January 2010, between the Government and IsDB (“Basic Agreement”) to co-finance the activities of the Center up to 2014. As per the agreement, the Government and IsDB will make an annual contribution of USD 5 million and USD 2 million respectively over a period of 5 years ending 2014. On 24 June 2014 an appendix for amending the Basic Agreement was made between the Government and IsDB to extend the validity of the Basic Agreement for 5 years commencing from 1 January 2015. On 11 October 2020, the agreement between the UAE Government and IsDB was extended for another 5 years with effect from 1 January 2020.

2 Summary of significant accounting policies

The significant accounting policies adopted by the Center in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (“IFRS”) and interpretation issued by the IFRS Interpretations Committee applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Center’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Basis of preparation and measurement (continued)

2.1 Basis of preparation (continued)

(a) *New standards, amendments and interpretations effective for the financial year beginning 1 January 2020 adopted by the Center*

The Center has applied the following standards, amendments and interpretations for the first time for its annual reporting period commencing 1 January 2020:

- **Definition of Material** – amendments to IAS 1 and IAS 8 - These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs: i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information.
- **Definition of a Business** – amendments to IFRS 3 - This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations.
- **Interest Rate Benchmark Reform** – amendments to IFRS 9, IAS 39 and IFRS 7 - These amendments provide certain reliefs in connection with interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR based contracts, the reliefs will affect companies in all industries.
- **Amendment to IFRS 16, 'Leases'** – Covid-19 related rent concessions - As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.
- **Revised Conceptual Framework for Financial Reporting** - The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:
 - increasing the prominence of stewardship in the objective of financial reporting
 - reinstating prudence as a component of neutrality
 - defining a reporting entity, which may be a legal entity, or a portion of an entity
 - revising the definitions of an asset and a liability
 - removing the probability threshold for recognition and adding guidance on derecognition

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Basis of preparation and measurement (continued)

2.1 Basis of preparation (continued)

(a) *New standards, amendments and interpretations effective for the financial year beginning 1 January 2020 adopted by the Center (continued)*

- adding guidance on different measurement basis, and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised Framework from 1 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Framework.

The Center also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2018-2020 Cycle.
- (a) *New and amended standards not yet adopted*
- (b) Certain new accounting standards and interpretations have been published that are not mandatory for reporting periods commencing 1 January 2020 and have not been early adopted by the Center. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

New standards, amendments and interpretations

Amendments to IAS 1, Presentation of financial statements' on classification of liabilities - These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

Effective for annual periods beginning on or after

1 January 2022

Narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 9 and IFRS 16

1 January 2022

Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to IFRS 9, 'Financial instruments', and the Illustrative Examples accompanying IFRS 16, 'Leases'.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Basis of preparation and measurement (continued)

2.2 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of the Center are measured using the currency of the primary economic environment in which the Center operates, which is United Arab Emirates Dirhams (“AED”) (“the functional currency”). The financial statements are presented in United States Dollars (“USD”), which is the Center’s presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of activities and comprehensive income.

2.3 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. The historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will follow to the Center and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance expenses are charged to the statement of activities and comprehensive income during the period in which they are incurred.

Capital work in progress represents assets acquired, but not yet commissioned for use, and is stated at cost. When commissioned, capital work in progress is transferred to the appropriate category of property and equipment or intangible assets, and depreciated in accordance with the Center’s policy.

Depreciation is computed, using the straight line method, at rates calculated to reduce the cost of assets to their estimated residual values, over their expected useful lives as follows:

| | |
|------------------------|----------------|
| Building | 25 to 40 years |
| Research equipment | 3 to 8 years |
| Irrigation equipment | 3 to 8 years |
| Farm equipment | 3 to 8 years |
| Furniture and fixtures | 3 to 10 years |
| Computer equipment | 3 to 5 years |
| Motor vehicles | 3 to 5 years |

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Basis of preparation and measurement (continued)

2.3 Property and equipment (continued)

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are recognized within 'Other income' in statement of activities and comprehensive income.

The capital work in progress is transferred to the appropriate property and equipment category and is depreciated in accordance with the Center policies after the assets are ready for intended use.

2.4 Impairment non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.5 Financial assets

(a) Classification

The Center classifies its financial assets as "amortised cost" or "Fair value through profit and loss (FVTPL)". The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Center's amortised cost assets comprise 'accounts receivables' and 'cash and cash equivalents' in the statement of financial position.

(b) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Center commits to purchase or sell the asset.

Financial assets are derecognised when the right to receive cash flows have expired or have been transferred and the Center has transferred substantially all risks and rewards of ownership.

Financial instruments at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of activities and other comprehensive income and presented in general and administrative expenses.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

(c) *Impairment of financial assets*

The Center assessed on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost.

The Center applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all accounts receivables and other financial assets at amortised costs. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics and the days past due.

(d) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.6 Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined as per the weighted average method and comprises direct material costs, and all other costs necessary to bring the goods to their existing condition and location. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.7 Accounts receivables

Accounts receivables are amounts due from donors that consist of claims from donors for grants pledged in accordance with the terms specified by the donor. It also pertains to claims from donors for expenses paid on behalf of projects in excess of cash received. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Recognition

- Unrestricted grants: receivables from unrestricted grants should be recognized in full in the period specified by the donor. Before an unrestricted grant can be recognized as income, sufficient verifiable evidence should exist documenting that a commitment was made by the donor and received by the Center.
- Restricted grants: receivables from restricted grants will be recognized in accordance with the terms of the underlying contract.

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Summary of significant accounting policies (continued)

2.8 Provision for employees' end of service benefits

A provision is made for the estimated liability for employees' entitlements to annual leave and leave passage as a result of services rendered by the employees up to the balance sheet date. An accrual is made, using actuarial techniques, for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the balance sheet date. The accrual relating to annual leave and leave passage is included in accounts payables, while the provision relating to employees' end of service benefits is disclosed as a non-current liability.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank accounts and short-term deposits with an original maturity of more than three months but not exceeding one year.

2.10 Accounts payables

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables also include grants received from donors for which conditions are not yet met and amounts payable to donors in respect of any unexpended funds received in advance for signed contracts. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions

Provisions are recognised when the Center has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.12 Reserves

Reserves represent net assets that are the residual interest in the Center's assets remaining after liabilities are deducted. The overall change in net assets represents the total gains and losses generated by the Center's activities during the period as determined by the particular measurement principles adopted and disclosed in the financial statements.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Summary of significant accounting policies (continued)

2.13 Net assets

Net assets are classified as either undesignated or designated.

- Undesignated: that part of reserves that are not designated by the Center's management for specific purposes.
- Designated:
 - Use of assets has been designated by the Center management for specific purposes such as reserve for replacement of property and equipment and net investment in property and equipment. Designation from undesignated reserves is made on an annual basis based on Board of Directors' approval.
 - The Board of Directors may also designate reserves to mitigate or counter unforeseen eventualities, funding reductions and currency risks that pose serious risks for business continuity.

2.14 Grants income recognition

Grants from the government and institutions are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Center will comply with all attached conditions.

The Center is required to assess each of its contracts with donors (unrestricted vs restricted) to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising income.

(a) *Unrestricted grant income*

Unrestricted grants are recognized as income upon unconditional transfer of cash or other assets by donors. Such income is recognized in full in the financial period specified in commitments made by donors.

(b) *Restricted grant income*

Restricted grants are recognized as income when there is reasonable assurance that the conditions attached to them have been complied with, and that the grants will be received. The Center shall recognize income when it satisfies a performance obligation by transferring a promised good or service within the underlying contract.

When expenditure is incurred, grant income is recognized to the extent that there is reasonable assurance that a donor will reimburse the Center for the expenditure incurred. The resulting receivable should be classified within "Receivables from donors".

Cash received in advance in the context of the grant is recorded as a liability (deferred income) until criteria for income recognitions are met.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Summary of significant accounting policies (continued)

2.15 Leases

The Center's lease represents leases of vehicles and printer.

The lease agreement does not impose any covenants, but leased asset may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Center.

Assets and liabilities arising from a lease are initially measured on present value. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third -party financing; and
- makes adjustments specific to the lease, eg: term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

2 Summary of significant accounting policies (continued)

2.15 Leases (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and restoration costs; and
- restoration cost.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

3 Financial risk management

3.1 Financial risk factors

The Center's activities potentially expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Center's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Center's financial performance.

(a) *Market risk*

(i) Foreign exchange risk

Foreign exchange risk arises mainly where financial assets and financial liabilities exist in foreign currency. The Center is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises due to exchange rate fluctuations between the UAE Dirham and other currencies generated from day to day transactions, mainly denominated in US Dollars (USD).

The Center does not have a significant foreign currency exposure since the majority of the transactions are denominated in AED or in currencies that are currently pegged to AED.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual instrument or its issuers or factors affecting all instruments traded in the market. The Center has no significant exposure to price risk as it does not hold any equity securities or commodities, sensitive to price fluctuation.

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing interest rates on the Center's financial position and cash flows. The Center's have no significant interest bearing assets or liabilities and accordingly, the Center's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Center is exposed to credit risk from operating activities primarily from bank balances, short-term deposits, and receivables from donors. Credit risks on liquid funds are limited as they are held with reputable banks registered in the UAE. The maximum exposure of credit risk at the reporting date is the carrying value of each class of financial assets.

Also, the Center has a formal procedure of monitoring and follow-up of the donor receivables. Management assesses the credit quality of the donor, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. Management does not expect any losses from non-performance of the carrying amounts of the financial assets. The Center's exposure to credit risk on accounts receivables is detailed in Note 6.

The Center manage its credit risk on bank balances by only dealing with reputable local and international banks with good ratings.

| | 2020 | 2019 |
|---|---------------|---------------|
| | USD | USD |
| Cash at bank: Rating A3 (2019: A3) | <u>7,238</u> | <u>9,095</u> |
| Short-term deposits: Rating A3 (2019: A3) | <u>13,620</u> | <u>13,620</u> |

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash. The Center maintain adequate bank balances to fund its operations and receives ongoing financial support from its donors/partners, if required.

All the Center's financial liabilities as at the statement of financial position date mature within a period of 12 months from the statement of financial position date.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Financial risk management (continued)

3.2 Capital risk management

The Center's objectives when managing capital are to safeguard the Center's ability to continue as a going concern to maintain an optimal capital structure.

The Center's are ungeared as at 31 December 2020 and 2019, since it does not have any external borrowing.

3.3 Fair values estimation

As at 31 December 2020 and 2019, the carrying amount of the Center's financial assets and liabilities as reflected in these financial statements approximates their fair values.

4 Use of estimates and judgements

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Center makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

(a) Property and equipment

Critical estimates are made in determining the useful lives and residual values to property and equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances or prospective utilization of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

5 Property and equipment

| Cost | Building USD'000 | Research equipment USD'000 | Irrigation equipment USD'000 | Farm equipment USD'000 | Furniture and fixtures USD'000 | Computer equipment USD'000 | Motor Vehicles USD'000 | Capital work in progress USD'000 | Total USD'000 |
|-----------------------------|---------------------|----------------------------------|------------------------------------|------------------------------|---|----------------------------------|------------------------------|---|------------------|
| At 1 January 2019 | 5,819 | 515 | 2,701 | 366 | 1,354 | 578 | 26 | - | 11,359 |
| Additions | - | 18 | 2 | 92 | 22 | 53 | 8 | - | 195 |
| Disposals | - | - | - | - | - | - | (26) | - | (26) |
| At 31 December 2019 | 5,819 | 533 | 2,703 | 458 | 1,376 | 631 | 8 | - | 11,528 |
| Additions | 32 | 15 | 11 | 51 | 5 | 92 | - | 74 | 280 |
| Disposals | - | (10) | (45) | (1) | (14) | (20) | - | - | (90) |
| At 31 December 2020 | 5,851 | 538 | 2,669 | 508 | 1,367 | 703 | 8 | 74 | 11,718 |
| Accumulated depreciation | | | | | | | | | |
| At 1 January 2019 | 2,125 | 385 | 2,442 | 275 | 886 | 508 | 26 | - | 6,647 |
| Charge for the year | 201 | 42 | 82 | 30 | 378 | 100 | 8 | - | 841 |
| Disposals | - | - | - | - | - | - | (26) | - | (26) |
| At 31 December 2019 | 2,326 | 427 | 2,524 | 305 | 1,264 | 608 | 8 | - | 7,462 |
| Charge for the year | 210 | 38 | 83 | 93 | 49 | 33 | - | - | 506 |
| Disposals | - | (10) | (45) | (1) | (13) | (20) | - | - | (89) |
| At 31 December 2020 | 2,536 | 455 | 2,562 | 397 | 1,300 | 621 | 8 | - | 7,879 |
| Net book value | | | | | | | | | |
| At 31 December 2019 | 3,493 | 106 | 179 | 153 | 112 | 23 | - | - | 4,066 |
| At 31 December 2020 | 3,315 | 83 | 107 | 111 | 67 | 82 | - | 74 | 3,839 |

As per an agreement between the Government of the UAE. ('Government') and the IsDB regarding the establishment of the Center, the Government provided the land and facilities for the Center. The building is constructed on a plot of land which is temporarily donated by the Government for use by the Center so as long as it continues to pursue its stated objectives. Accordingly, the plot of land on which the building is constructed is not treated as an asset belonging to the Center.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

6 Accounts receivables

| | 2020 USD'000 | 2019 USD'000 |
|------------------------------------|-----------------|-----------------|
| Receivables from donors | 376 | 440 |
| Less: Provision for doubtful debts | (5) | (5) |
| | <u>371</u> | <u>435</u> |
| Advance to partners | 268 | 270 |
| Prepayments | 3 | 21 |
| Advances to staff | 21 | 4 |
| Other receivables | 168 | 224 |
| | <u>831</u> | <u>954</u> |

The ageing analysis of these receivables from donors is as follows:

| | 2020 USD'000 | 2019 USD'000 |
|--------------------|-----------------|-----------------|
| 0 – 30 days | 189 | 258 |
| 31 – 60 days | - | 6 |
| 61 – 90 days | - | 6 |
| 91 – 180 days | - | 19 |
| More than 180 days | 187 | 151 |
| | <u>376</u> | <u>440</u> |

As at 31 December 2020 receivables from donors with a nominal value of USD 5 thousand (2019: USD 5 thousand) were impaired.

The carrying amount of the accounts receivables is denominated in USD and approximates their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Center does not hold any collateral as security since all receivables are pledged as donations in the agreements signed and approved by the donors/partners who pledged to provide donations until the projects are completed.

The creation and reversal of provision for impaired receivables have been included in the statement activities and other comprehensive income. Amounts charged to allowance account are generally written off when there is no expectation of recovering additional cash.

7 Cash and cash equivalents

| | 2020 USD'000 | 2019 USD'000 |
|--|-----------------|-----------------|
| Cash on hand | 7 | 7 |
| Cash at bank | 7,231 | 9,088 |
| Cash and cash equivalents | <u>7,238</u> | <u>9,095</u> |
| Fixed deposits – maturity above three months | 13,620 | 13,620 |
| | <u>20,858</u> | <u>22,715</u> |

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

7 Cash and cash equivalents (continued)

Fixed deposits represent short-term deposits with a maturity of beyond three months but less than twelve months from the date of deposit. The short-term deposits carry an interest at the prevailing market rates ranging from 1.10% to 2.21%.

8 Reserves

Reserves represent net assets that are the residual interest in the Center's assets remaining after liabilities are deducted. The level of net assets recommended by the CGIAR is 75-90 days of operating expenses excluding depreciation. As at 31 December 2020, the Center's net assets represented 733 days (2019 – 494 days) of the operating expenses excluding depreciation.

Net assets include both the designated and undesignated portions. Details of designated net assets are as follows:

(a) *Net investment in property and equipment*

A portion of unrestricted net assets has been appropriated by the Board of Directors to reflect net investment in property and equipment.

The balance of USD 3,840 thousand (2019: USD 4,066 thousand) at 31 December 2020 comprises the balance brought forward from 2019 and the current year's net decrease in fixed assets of USD 227 thousand (2019: Decrease of USD 646 thousand).

(b) *Designated for acquisition and replacement of property and equipment*

Each financial year, the Center appropriates from the unrestricted net assets an amount equal to the movement in the net book value of the property and equipment and any other specific allocation into a reserve designated to meet the acquisition and replacement costs for property and equipment items.

The net balance of USD 7,703 thousand (2019: USD 7,477 thousand) at 31 December 2020 represents unspent funding available for use by the Center in future years for acquisition and replacement of property and equipment.

(c) *Emergency/Contingency*

The emergency/contingency fund may be used for temporary funding gaps or unforeseen needs that arise during the fiscal year without jeopardise the momentum of the research programs.

9 Provision for employees' end of service benefits

| | 2020 USD'000 | 2019 USD'000 |
|--------------------------------|-----------------|-----------------|
| At 1 January | 484 | 383 |
| Charge for the year (Note 13) | 175 | 190 |
| Less: payments during the year | (72) | (89) |
| At 31 December | <u>587</u> | <u>484</u> |

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

9 Provision for employees' end of service benefits (continued)

In accordance with the provision of IAS 19, management has carried out an exercise to assess the present value of its obligation at 31 December 2020 and 31 December 2019, using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE Labour Law. Under this method, an assessment has been made of an employee's expected service life with the Center and the expected basic salary at the date of leaving the service. Management has assumed average increment costs of 1% (2018: 5%). The expected liability at the date of leaving the service has been discounted to its net present value using a discount rate of 0.77% (2019: 2.21%).

10 Accounts payables

| | 2020 USD'000 | 2019 USD'000 |
|--|---------------------|---------------------|
| Advance from donors – unrestricted funds | - | 2,500 |
| Accrued expenses | 1,622 | 2,174 |
| Repatriation costs | 643 | 599 |
| Payable to partners | 112 | 211 |
| Supplier payables | 252 | 570 |
| Employee related accruals | 512 | 203 |
| Pension payables | - | 166 |
| | <u>3,141</u> | <u>6,423</u> |
| Deferred income – restricted funds | <u>2,574</u> | <u>2,720</u> |
| Total current liabilities | <u>5,715</u> | <u>9,143</u> |

11 Grants income

| | 2020 USD'000 | 2019 USD'000 |
|---------------------------------|-----------------|-----------------|
| Unrestricted grants (Exhibit 1) | 6,000 | 6,000 |
| Restricted grants (Exhibit 2) | 2,999 | 4,929 |
| | <u>8,999</u> | <u>10,929</u> |

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

12 Operating expenses by nature

| | Unrestricted USD'000 | Restricted 2020 USD'000 | Total USD'000 | Unrestricted USD'000 | Restricted 2019 USD'000 | Total USD'000 |
|---------------------------|-------------------------|-------------------------------|------------------|-------------------------|-------------------------------|------------------|
| Personnel costs (Note 13) | 3,862 | 1,447 | 5,309 | 3,450 | 1,742 | 5,192 |
| Other collaboration | 18 | 362 | 380 | 579 | 405 | 984 |
| Supplies & services | 1,008 | 872 | 1,880 | 1,729 | 2,045 | 3,774 |
| Travel | 23 | 41 | 64 | 176 | 226 | 401 |
| Depreciation | 511 | 34 | 545 | 841 | 36 | 877 |
| Loss on sale of equipment | (5) | - | (5) | (15) | - | (15) |
| Overhead cost recovery | (242) | 242 | - | (474) | 474 | - |
| | <u>5,175</u> | <u>2,998</u> | <u>8,173</u> | <u>6,286</u> | <u>4,928</u> | <u>11,214</u> |

Operating expenses classified as follows:

| | | |
|------------------------------------|--------------|---------------|
| Research costs | 5,624 | 7,766 |
| Collaboration cost | 380 | 984 |
| General and administrative expense | 2,169 | 2,464 |
| | <u>8,173</u> | <u>11,214</u> |

13 Personnel costs

| | 2020 USD'000 | 2019 USD'000 |
|----------------------------------|-----------------|-----------------|
| Salaries and wages | 4,508 | 4,443 |
| Other benefits | 626 | 559 |
| End of service benefits (Note 9) | 175 | 190 |
| | <u>5,309</u> | <u>5,192</u> |

14 Finance income - net

| | 2020 USD'000 | 2019 USD'000 |
|----------------------------|-----------------|-----------------|
| Finance expense | (6) | (7) |
| Interest income on deposit | 274 | 344 |
| | <u>268</u> | <u>337</u> |

15 Contingent liabilities and commitments

(a) *Contingent liabilities*

At 31 December 2020, the Center had no contingent liabilities in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise (2019: Nil).

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

15 Contingent liabilities and commitments (continued)

(b) Commitments

| | 2020 USD'000 | 2019 USD'000 |
|---|-----------------|-----------------|
| Capital commitments contracted but not provided | <u>20</u> | <u>-</u> |

16 Financial instruments by category

| | 2020 USD'000 | 2019 USD'000 |
|---|-----------------|-----------------|
| Financial assets at amortised cost | | |
| Accounts receivables (excluding advances and prepayments) (Note 6) | 539 | 659 |
| Cash and cash equivalents and fixed deposits (Note 7) | <u>20,858</u> | <u>22,715</u> |
| | <u>21,397</u> | <u>23,374</u> |
| Financial liabilities at amortised cost | | |
| Accounts payables (excluding advances from donors and partners) (Note 10) | <u>3,029</u> | <u>3,712</u> |

17 Related party information

Related parties include Directors, shareholders and key management personnel and entities in which they have the ability to control and exercise a significant influence in financial and operating decisions.

Related party transactions

| | 2020 USD'000 | 2019 USD'000 |
|--|-----------------|-----------------|
| Key management compensation | | |
| Salaries and other short-term benefits | <u>968</u> | <u>968</u> |
| Employee benefit obligations | <u>119</u> | <u>83</u> |

For more details about the transactions with related parties refer to Exhibit 1 & 2.

International Center for Biosaline Agriculture

Notes to the financial statements for the year ended 31 December 2020 (continued)

18 Leases

This note provides information for leases where the Center is a lessee.

(a) *Right-of-use assets*

| | Vehicles USD'000 | Printers USD'000 |
|-------------------------------------|---------------------|---------------------|
| At 1 January 2019 | 110 | 14 |
| Additions | 27 | - |
| At 31 December 2019 and 2020 | 137 | 14 |
| Accumulated depreciation | | |
| At 1 January 2019 | 14 | 3 |
| Charge for the year | 31 | 5 |
| At 31 December 2019 | 45 | 8 |
| Charge for the year | 34 | 5 |
| At 31 December 2020 | 79 | 13 |
| Net book value | | |
| At 31 December 2019 | 92 | 6 |
| At 31 December 2020 | 58 | 1 |

(b) *Lease liability*

| | 2020 USD'000 | 2019 USD'000 |
|--|-----------------|-----------------|
| Lease liability at 1 January | 103 | 109 |
| Add: additions | - | 27 |
| Less: rent expense relating to lease payment | (45) | (40) |
| Interest expense | 6 | 7 |
| | 64 | 103 |
| Less: Current lease liability | (38) | (39) |
| Non-current lease liability | 26 | 64 |

19 Impact assessment of COVID-19

The existence on novel coronavirus (Covid-19) was confirmed in early 2020 and has spread across several countries, causing disruptions to businesses and economic activity. Given the solid support from the Center's donors (both unrestricted and restricted) during the peak of the pandemic, the management believes that the outbreak has no significant impact on the Center's revenue. The management believes that there are no foreseen credit risks as the receivables of the Center are coming from reputable donors. There is a strong confidence that the donors will perform the agreed terms as per the grant agreements. In addition to this, as at 31 December 2020, the entity has net assets of USD 19 million with no external borrowings taken, which would support their financial position position.

International Center for Biosaline Agriculture

Exhibit 1 Unrestricted grants

| Donor name | Received USD'000 | Accounts receivable USD'000 | Advance payment USD'000 | Grant income USD'000 | 2019 USD'000 |
|-------------------------------------|---------------------|-----------------------------------|-------------------------------|-------------------------|-----------------|
| Islamic Development Bank ("IsDB") | 1,000 | - | - | 1,000 | 1,000 |
| Ministry of Food and Water Security | 2,500 | - | - | 2,500 | 2,500 |
| Environmental Agency - Abu Dhabi | 2,500 | - | - | 2,500 | 2,500 |
| Total | 6,000 | - | - | 6,000 | 6,000 |

International Center for Biosaline Agriculture

Exhibit 2 Restricted grants

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|--------------|---|---|-----------------------|---------------|---------------------------|-----------|------------|---------------------------|---------|--------|-------------|---------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| EP0001 | Islamic Development Bank Environmental Agency of Abu Dhabi | Soft Restricted contribution to ICBA Budget | Jan 2018 to Dec 2020 | 3,000,000 | 2,000,000 | 1,000,000 | - | 3,000,000 | 675,973 | - | 2,556,155 | 443,845 |
| EP0002 | AWA Core Operations | Supporting Coordination & Cooperation in Water Management in the Euphrates & Tigris Region | Sep 2008 to Dec 2012 | 4,000,000 | 2,346,879 | - | - | 2,346,879 | - | - | 2,221,349 | 125,530 |
| EP0022 | Swedish International Development Cooperation | Supporting Coordination & Cooperation in Water Management in the Euphrates & Tigris Region | Sep 2013 to Mar 2019 | 7,362,658 | 6,040,342 | - | - | 6,040,342 | - | - | 6,040,342 | - |
| EP0030 | United States Agency for International Development | Development of the MENA Regional Drought Management System | Oct-2015 to June 2019 | 4,131,742 | 3,857,854 | 150,042 | - | 4,007,895 | - | (243) | 4,007,895 | - |
| EP0044 | Ministry of Environment - Qatar | Feasibility of Nano Filtration for desalination of saline/seawater used for irrigating vegetable crops in greenhouse under Qatar conditions | Feb-2015 to Feb-2018 | 258,950 | 174,523 | - | - | 174,523 | - | - | 174,523 | - |
| EP0052 | National Academy of Sciences | Use of Non-Conventional Agricultural Water Resources to Strengthen Water and Food Security in Transboundary Watersheds of the Amu Darya River Basin | Dec-2015 to Nov-2018 | 300,000 | 321,380 | - | - | 321,380 | - | - | 321,380 | - |
| EP0053 | Landlife Company | Tree Planting demonstration project using Cocoon | Jan-2016 to Mar-2017 | 27,183 | 28,155 | - | - | 28,155 | - | - | 28,155 | - |
| EP0055 | International Fund for Agricultural Development | Rehabilitation and Management of Salt Affected Soils to Improve Agricultural Productivity in Ethiopia and South Sudan | Dec-2015 to Dec-2021 | 2,000,000 | 1,515,000 | - | - | 1,515,000 | 189,115 | - | 1,399,104 | 115,896 |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|--------------|--|---|------------------------|---------------|---------------------------|---------|------------|---------------------------|---------|--------|-------------|--------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| EP0061 | Abu Dhabi Fund for Development | Financing Soil Museum Project | Sep-2016 to Sep-2018 | 500,000 | 490,011 | - | - | 490,011 | - | - | 490,011 | - |
| EP0065 | OPEC Fund for International Development | SCALING UP OF SMALL SCALE IRRIGATION TECHNOLOGIES TO IMPROVE FOOD SECURITY IN SUB-SAHARAN AFRICA | Aug-2016 to Dec-2021 | 500,000 | 399,158 | - | 13,059 | 412,217 | 133,958 | - | 412,217 | - |
| EP0067 | Islamic Development Bank | Inception & Design of the "Young Arab Woman Scientist Leadership" Program in Partnership with ICBA & BMG Foundation | Jul-2016 to May-2017 | 92,000 | 64,400 | - | - | 64,400 | - | - | 55,966 | 8,434 |
| EP0069 | Islamic Development Bank | Quinoa Conference 2016 - "Quinoa for Future Food" | Jan-2016 to Dec-2016 | 40,000 | 28,000 | - | 5,082 | 33,082 | - | - | 33,082 | - |
| EP0073 | Arab Bank for Economic Development in Africa (BADEA) | Quinoa Conference 2016 - "Quinoa for Future Food" | Jan-2016 to Dec-2016 | 40,000 | 40,000 | - | - | 40,000 | - | - | 40,000 | - |
| EP0081 | MERCY CORPS | USAID/Jordan Water Innovations Technologies | April-2017 to Dec-2021 | 2,063,311 | 880,935 | 346,750 | - | 1,227,685 | 353,021 | - | 1,208,327 | 19,358 |
| EP0083 | OCF Foundation | Rehabilitation of Phosphate mining land and introduction of new Agro-system to improve farmers' income | Jul-2017 to Jul-2020 | 251,390 | - | - | 162,824 | 162,824 | 10,912 | - | 162,824 | - |
| EP0084 | IDRC Quinoa | Scaling up Quinoa Value Chain to Improve Food and Nutritional Security in the Rural/Poor communities of Morocco | Oct-2017 to Jun-2021 | 306,431 | 217,731 | 26,326 | - | 244,057 | 31,404 | - | 236,546 | 7,511 |
| EP0085 | BMG | Tamkeen Program for Female Agriculture researcher's empowerment | Oct-2017 to Mar-2020 | 256,367 | 256,367 | - | - | 256,367 | 66,686 | - | 221,054 | 35,313 |
| EP0087 | Evolve | Test of Anti-stress product effect on vegetables and quinoa | Feb-2018 to Aug-2018 | 8,000 | 8,000 | - | - | 8,000 | - | - | 8,000 | - |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|--------------|---|--|----------------------|---------------|---------------------------|---------|------------|---------------------------|--------|--------|-------------|-------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| EP0090 | the Food and Agriculture Organization of United Nations (FAO) | Understanding the possibilities and Challenges of using drought risk insurance to increase climate resilience in NENA Region | Jun-2018 to Mar-2019 | 50,000 | 50,000 | - | - | 50,000 | - | - | 50,000 | - |
| EP0091 | Food and Agriculture Organization of United Nations (FAO) | Finalization of the "unlocking the potential of Protected Agriculture in the GCC countries: cutting water consumption while supporting improved nutrition and food security" | Jun-2018 to Dec-2018 | 18,821 | 15,056 | 3,765 | - | 18,821 | 1,287 | - | 18,821 | - |
| EP0093 | CIMMYT | Identifying Genotypic Variability in Tropical maize for salinity tolerance | Aug-2018 to Jul-2019 | 30,000 | 30,000 | - | - | 30,000 | - | - | 30,000 | - |
| EP0094 | Falcon Eye Drones | Research in drone and remote sensing analyses to develop innovative & practical applications associated with projects | Sep-2018 to Aug-2020 | 232,827 | 45,272 | 109,947 | - | 155,219 | 52,496 | - | 155,219 | - |
| EP0095 | Desert Control AS Norway | Testing Liquid Nano Clay in Dubai Soil for Grasses | Sep-2018 to Apr-2019 | 20,000 | 20,000 | - | - | 20,000 | - | - | 20,000 | - |
| EP0096 | Islamic Development Bank | Arab Women Leadership Program | Jul-18 to Mar-2020 | 250,000 | 175,000 | 63,197 | - | 238,197 | 82,751 | - | 238,197 | - |
| EXPO2020.01 | Abu Dhabi Agriculture and Food Safety Authority | "From Desert Farm to Fork: Value chain development for innovative halophyte-based food products" | Aug-2019 to Jul-2020 | 250,000 | 70,000 | - | 49,528 | 119,528 | 90,183 | - | 119,528 | - |
| AGYA.01 | Arab German Young Academy of Sciences and Humanities | AGYA Workshop "Emergent Materials: Concepts, Methodologies and Future Applications" | Jan-2019 to Dec-2019 | 24,547 | 19,239 | - | - | 19,239 | - | - | 19,239 | - |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance |
|-------------------|---|--|----------------------|---------------|---------------------------|--------|------------|---------------------------|---------|--------|-------------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | |
| | | | | | | Actual | Receivable | | TOTAL | Actual | |
| CIFOR.01 | Center for International Forestry Research | ICRAF / CIFOR Joint Executive Committee meeting | Jan-2019 to Dec-2019 | 14,659 | 12,525 | - | - | 12,525 | - | - | 12,525 |
| FAO.01 | the Food and Agriculture Organization of United Nations (FAO) | Integrated natural resources management in drought-prone and salt-affected agricultural production landscapes in Central Asia and Turkey (CACILM-2)" (GCP/SEC/293/GFF) | Jan-2019 to Dec-2019 | 84,000 | 21,000 | - | - | 21,000 | 55,559 | - | 62,730 |
| FAO.02 | the Food and Agriculture Organization of United Nations (FAO) | Near East Regional Preparatory meeting for the Eighth Session of the Governing Body of the International Treaty on PGRFA | Jan-2019 to Dec-2019 | 11,240 | - | 10,892 | - | 10,892 | 1,459 | - | 10,892 |
| GFIME.01 | Other Donor For GFIME | GFIME Conference | Jan 2019 to Dec 2019 | 18,355 | 18,355 | - | - | 18,355 | - | - | 18,355 |
| KIADPAI.01 | Khalifa Int'l Award For Date Palm & Agric Innovation | GFIME Conference | Jan 2019 to Dec 2019 | 9,913 | 9,913 | - | - | 9,913 | - | - | 9,913 |
| CIMMYT.01 | The International Maize and Wheat Improvement Center | Arab Women Leadership Program | Mar 2019 to Mar 2020 | 47,619 | 41,651 | 5,937 | - | 47,588 | 7,038 | - | 26,025 |
| IFAD.01 | International Fund for Agricultural Development | Improving Agricultural Resilience to Salinity through Development and Promotion of Pro-poor Technologies | Mar 2019 to Mar 2023 | 3,500,000 | 1,488,498 | - | - | 1,488,498 | 580,113 | - | 1,111,555 |
| RSE.01 | Republic State Enterprise - Kazvodkhoz | Rehabilitation of Irrigation and Drainage | Mar 2019 to Jun 2022 | 627,206 | - | 1,646 | - | 1,646 | - | - | 1,646 |
| TRME.01 | Tottori Resource Recycling Middle East LLC | Evaluating Porous Alpha Soil Enhancer to Save Water and Increase Yield | Mar 2019 to Dec 2019 | 19,725 | 14,794 | 4,931 | - | 19,725 | - | - | 19,725 |
| | | | | | | | | | | | 21,563 |
| | | | | | | | | | | | 376,943 |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|-----------------|---|---|----------------------|---------------|---------------------------|---------|------------|---------------------------|---------|--------|-------------|---------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| HSBC.01 | HSBC Bank Middle East Limited | Building Sustainable Networks and Unleashing Entrepreneurial Potential in Farming Communities living in Marginal Areas | Jul 2019 to Apr 2021 | 442,537 | 442,537 | - | - | 442,537 | 167,840 | - | 279,002 | 163,535 |
| ADAFSA.01 | Abu Dhabi Agriculture and Food Safety Authority | From Desert Farm to Fork: Value chain development for innovative halophyte-based food products | Aug 2019 to Jul 2020 | 54,710 | 54,710 | - | - | 54,710 | 12,035 | - | 54,710 | - |
| EAD.01 | Environmental Agency of Abu Dhabi | Regional and National Maps in WRB | Aug 2019 to Apr 2020 | 50,123 | 15,037 | - | 35,573 | 50,610 | 7,628 | - | 50,610 | - |
| KHALIFAF UND.01 | Khalifa Fund for Enterprise Development | From Desert Farm to Fork: Value chain development for innovative halophyte-based food products | Oct 2019 to Jul 2020 | 47,671 | - | 47,671 | - | 47,671 | 22,219 | - | 44,080 | 3,591 |
| AGYA.02 | Arab German Young Academy of Sciences and Humanities | Quinoa - Identifying Accessions With Superior Drought Tolerance | Nov 2019 to Jan 2020 | 3,310 | 3,351 | - | - | 3,351 | 2,673 | - | 3,351 | - |
| Albatha.01 | Albatha Group | Introduction of value chains of stress-resilient crops to support the development of sustainable rural communities in marginalized regions of Tunisia | Nov 2019 to Oct 2024 | 1,594,661 | - | 68,101 | - | 68,101 | 10,047 | - | 10,047 | 58,054 |
| Albatha.02 | Albatha Group | Creation of Agricultural Startups for Tunisian Youth | Nov 2019 to Oct 2024 | 1,242,986 | - | 54,481 | - | 54,481 | 37,854 | - | 37,854 | 16,628 |
| FAO.03 | the Food and Agriculture Organization of United Nations (FAO) | Technical workshop to support decision makers and investors in the implementation of SDG 6.4-Increase Water-Use Efficiency | Nov 2019 to Dec 2020 | 25,000 | 7,500 | - | 11,990 | 19,490 | 4,662 | - | 19,490 | - |
| FPB.01 | Fondation Phosboucraa | IAAS | Nov 2019 to Oct 2022 | 531,203 | - | 167,598 | - | 167,598 | 5,334 | - | 5,334 | 162,264 |
| FPB.02 | Fondation Phosboucraa | Book of Native Species | Nov 2019 to Oct 2022 | 33,070 | - | 14,418 | - | 14,418 | 1,152 | - | 1,152 | 13,266 |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|-------------------|---|---|----------------------|---------------|---------------------------|--------|------------|---------------------------|---------|--------|-------------|---------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| FAO.04 | the Food and Agriculture Organization of United Nations (FAO) | Knowledge exchange and capacity development training for women family farmers on climate-resilient approaches to sustainable agriculture | Dec 2019 to Dec 2020 | 49,304 | 14,963 | - | 14,963 | 14,963 | - | 14,963 | - | |
| SBFF.01 | Sergey Brin Family Foundation | Initiate Development of Low Cost, user friendly application for smartphones that farmer can use to identify and address diseases and nutritional disorders in their produce | Dec 2019 to Dec 2021 | 1,000,000 | 500,000 | - | 1,000,000 | 23 | 210,110 | - | 210,133 | 789,867 |
| CAAR.01 | Council for Australian-Arab Relations | Collaborations with AWLA Program | 2019-2020 | 8,479 | - | - | 8,479 | 8,160 | - | - | 8,160 | 319 |
| OCP.01 | OCP S.A. | GFIME Gold Sponsor | FY 2019 | 30,000 | - | 3,257 | 27,242 | - | 27,742 | - | 27,742 | - |
| GREENPLU S.01 | Greenplus Co., Ltd | Adaptation of Greenhouses for Desert Climates | Jan 2020 to Dec 2021 | 163,583 | 77,265 | - | 77,265 | - | 7,913 | - | 7,913 | 69,352 |
| DESERTCO NTROL.01 | Desert Control AS Norway | Testing Liquid Nano Clay in Dubai Soil for three summer crops: pearl millet, watermelon and zucchini | Feb 2020 to Sep 2020 | 79,313 | - | 79,313 | 79,313 | - | 79,313 | - | 79,313 | - |
| IDB.01 | Islamic Development Bank | Saline Water Greenhouse | Apr 2020 to Mar 2022 | 100,000 | 50,835 | - | 50,835 | - | 4,619 | - | 4,619 | 46,216 |
| KANBAR.01 | Dr. Osama Kanbar | Sabbatical Collaboration | Jul 2020 to Jun 2021 | - | 3,000 | - | 3,000 | - | 1,120 | - | 1,120 | 1,880 |
| IIE.01 | The Institute of International Education LLC | Scholar Rescue Fund Syria | Aug 2020 to Aug 2021 | 25,000 | 25,000 | - | 25,000 | - | 10,820 | - | 10,820 | 14,180 |
| RAINCATC HER.01 | Raintcatcher Plus | Hydrogel Soil Amendment | Aug 2020 to Sep 2021 | 72,388 | 16,000 | 10,532 | 26,532 | - | 26,532 | - | 26,532 | - |

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Exhibit 2 Restricted grants (continued)

| Project Code | Donor | Program/Project | Grant Period | Grant Pledged | Grant Received | | | Expenditures | | | End Balance | |
|----------------------|--|---|----------------------|---------------|---------------------------|---------|------------|---------------------------|-----------|--------|-------------|-----------|
| | | | | | Cumulative up to Dec 2019 | 2020 | | Cumulative up to Dec 2019 | 2020 | | | TOTAL |
| | | | | | | Actual | Receivable | | Actual | Others | | |
| | The International Maize and Wheat Improvement Center | Arab Women Leaders in Agriculture - AWLA Cycle 2 | Sep 2020 to Sep 2021 | 47,619 | - | 23,810 | - | 23,810 | 17 | - | 17 | 23,792 |
| EXPO2020.02 | EXPO Dubai 2020 | FEW Nexus greenhouse | Sep 2020 to Mar 2022 | 335,583 | - | 2,724 | - | 2,724 | 2,724 | - | 2,724 | - |
| FAO.05 | the Food and Agriculture Organization of United Nations (FAO) | Catalyzing investments and actions to enhance resilience against Sand and Dust Storms in agriculture | Sep 2020 to Jun 2021 | 29,975 | - | 9,000 | - | 9,000 | - | - | - | 9,000 |
| HYDRORO CK.01 | HydroRock International | Subsurface Irrigation Management | Sep 2020 to Jun 2021 | 42,565 | - | 42,565 | - | 42,565 | 4,840 | - | 4,840 | 37,725 |
| EAD.03 | Environmental Agency of Abu Dhabi | Salt Leachate | Oct 2020 to Dec 2021 | 7,330 | - | 7,330 | - | 7,330 | - | - | - | 7,330 |
| AUS.01 | American University of Sharjah | A Novel Bioenergy System for Marginal environment | Nov 2020 to May 2022 | 4,086 | - | 2,179 | - | 2,179 | - | - | - | 2,179 |
| MOEL.01 | Ministry of Energy And Infrastructure | Virtual Training - Water Accounting Program | FY 2020 | 5,176 | - | 5,176 | - | 5,176 | 5,176 | - | 5,176 | - |
| TOTALS | | | | 21,731,651 | 2,916,893 | 375,529 | 25,024,073 | 19,451,953 | 2,998,789 | (242) | 22,450,503 | 2,573,569 |

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Exhibit 3 IsDB Contribution to Research Projects

| Project Code | Program/Project | Project amount | Grant received |
|--------------|---|----------------|----------------|
| | Opening balance | | 119,818 |
| | Grants received | | 1,000,000 |
| IP0002 | Cross-regional partnership for improving food and nutritional in marginal environments of Central Asia | 161,483 | |
| IP0009 | IsDB Capacity Building | 17,489 | |
| IP0015 | Technical assistance to OIC national centers in the LDC on dissemination and piloting of ICBA innovation at the country level | 30,682 | |
| IP0020.R | Evaluation of salinity on Forage Grass Crops | 65,953 | |
| IP0021.R | Quantifying Salinity stress on Quinoa & Amaranth | 40,994 | |
| IP0022.R | Breeding high yielding, early maturing quinoa geno | 77,235 | |
| IP0023.R | Towards genome wide association studies in quinoa | 103,801 | |
| IP0024.N | Towards developing inbred of salicornia bigelovii | 47,959 | |
| IP0025.N | AI Ghurair container based vertical farming | 39,740 | |
| IP0026.N | Low cost saline water evaporative cooling & hydrop | 43,756 | |
| IP0027.N | Salt tolerant tomato rootstock | 36,478 | |
| IP0029 | Red palm weevil resistance in Date Palm | 10,582 | |
| | Total expenditures | | (676,152) |
| | Balance | | (443,666) |