

FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

All amounts are in BD 000's

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2019

	31 December 2019 (Audited)	31 December 2018 (Audited)
ASSETS		
Cash and bank balances	104,376	99,401
Placements with financial institutions	65,508	43,837
Financing assets	324,355	327,840
Investment in sukuk	195,050	161,324
Assets acquired for leasing	129,097	108,678
Lease rentals receivables	17,102	11,525
Investment in equity securities	43,989	50,039
Investment in real estate	17,781	18,081
Development property	6,251	6,251
Other assets	28,493	16,498
Property and equipment	7,750	7,865
Total assets	939,752	850,939
LIABILITIES		
Placement from financial institutions	127,453	158,349
Placement from non-financial institutions and individuals	134,654	120,470
Medium-term borrowing	-	41,357
Customers' current accounts	58,105	70,416
Other liabilities	19,798	10,512
Total liabilities	340,010	401,104
Equity of investment account holders	511,835	346,373
OWNERS' EQUITY		
Share capital	105,000	105,000
Statutory reserve	8,225	8,225
Treasury shares	(11,730)	(11,295)
Employee share incentive scheme	-	(29)
Accumulated losses	(15,788)	(729)
Total owners equity	85,707	101,172
Non-controlling interest	2,200	2,290
Total liabilities, equity of investment account holders, owners' equity and non-controlling interest	939,752	850,939

CONSOLIDATED INCOME STATEMENT For the year ended 31 December 2019

	31 December 2019 (Audited)	31 December 2018 (Audited)
Income from financing assets and assets acquired for leasing	31,334	26,565
Income from placements with financial institutions	2,183	955
Income from sukuk	10,031	6,377
Income from equity securities	(1,687)	1,422
Fees and other income	5,726	2,842
Total income before return to investment account holders	47,587	38,161
Less: Return to investment account holders before Bank's Share as Mudarib	(23,544)	(14,221)
Bank's Share as a Mudarib	8,457	5,619
Return to investment account holders	(15,087)	(8,602)
Finance expense on placements from financial institutions, non-financial institutions and individuals	(11,703)	(8,190)
Finance expense on medium-term borrowing	(1,241)	(2,054)
Total income	19,556	19,315
Staff cost	8,158	7,175
Other operating expenses	6,036	5,252
Total expenses	14,194	12,427
Profit before impairment allowances	5,362	6,888
Net impairment charge	(20,389)	(6,288)
(LOSS) / PROFIT FOR THE YEAR	(15,027)	600
Attributable to:		
Shareholders of the parent	(14,937)	659
Non-controlling interest	(90)	(59)
	(15,027)	600
Earnings per share		
Basic and diluted earnings per share (fils)	(15.86)	0.69

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 December 2019

	31 December 2019 (Audited)	31 December 2018 (Audited)
OPERATING ACTIVITIES		
Receipts from financing assets, net	9,621	40,392
Payment for assets acquired for leasing, net	(17,786)	(15,145)
Receipt of profit on short-term placements	2,183	955
Returns paid to investment account holders	(10,454)	(7,184)
Receipts / (withdrawals) from investment account holders, net	165,461	(13,444)
Payment of profit on placements	(11,703)	(8,190)
Payment for expenses	(19,441)	(10,642)
Other receipts	3,964	2,878
Payment for charity	(235)	(422)
Withdrawal from customers' current accounts, net (Payments) towards / Receipts from placements from financial institutions, net	(12,311)	(4,341)
Receipts from placements from non-financial institutions and individuals, net	14,184	59,111
Net payment to CBB reserve account	(4,610)	(3,360)
Income from sukuk received	10,006	5,937
Net cash generated from operating activities	99,040	80,629
INVESTING ACTIVITIES		
Purchase of sukuk	(37,407)	(63,205)
Proceed from redemption / sale of sukuk	3,269	15,135
Disposal / (Purchase) of equity securities	1,438	(97)
Purchase of investment in real estate, net	-	(105)
Receipt of dividends / income from equity securities	343	1,478
Purchase of property and equipment, net	(452)	(674)
Net cash used in investing activities	(32,809)	(47,468)
FINANCING ACTIVITIES		
Purchase of treasury shares, net	(350)	(1,234)
(Repayment) / drawdown of medium-term borrowing, net	(41,357)	50
Finance expense paid on medium-term borrowing	(1,241)	(2,054)
Net cash used in financing activities	(42,948)	(3,238)
Net increase in cash and cash equivalents	23,283	29,923
Cash and cash equivalents at 1 January	121,171	91,248
Cash and cash equivalents at 31 December	144,454	121,171
Cash and cash equivalents comprise:		
Cash and bank balances (excluding CBB reserve)	78,946	78,581
Placement with financial institutions with original maturities of 90 days or less	65,508	42,590
	144,454	121,171

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019

31 December 2019 (Audited)	Equity attributable to shareholders of the parent					Total	Non-controlling interest	Total Equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	(Accumulated losses)			
Balance at 1 January 2019	105,000	8,225	(11,295)	(29)	(729)	101,172	2,290	103,462
Loss for the year	-	-	-	-	(14,937)	(14,937)	(90)	(15,027)
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Net treasury shares purchased	-	-	(435)	-	-	(435)	-	(435)
Issue of shares under incentive scheme	-	-	-	29	65	94	-	94
Transfer to Zakah fund	-	-	-	-	(187)	(187)	-	(187)
Balance at 31 December 2019	105,000	8,225	(11,730)	-	(15,788)	85,707	2,200	87,907

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2018

31 December 2018 (Audited)	Equity attributable to shareholders of the parent					Total	Non-controlling interest	Total Equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	(Accumulated losses) / Retained earnings			
Balance at 1 January 2018 (as previously reported):	105,000	8,159	(10,212)	(70)	10,162	113,039	2,645	115,684
Impact of adopting FAS 30	-	-	-	-	(11,069)	(11,069)	-	(11,069)
Restated balance at 1 January 2018	105,000	8,159	(10,212)	(70)	(907)	101,970	2,645	104,615
Profit for the year	-	-	-	-	659	659	(59)	600
Transfer to statutory reserve	-	66	-	-	(66)	-	-	-
Net treasury shares purchased	-	-	(1,083)	-	-	(1,083)	-	(1,083)
Issue of shares under incentive scheme	-	-	-	41	42	83	-	83
Loss of Control	-	-	-	-	(16)	(16)	(296)	(312)
Transfer to Zakah fund	-	-	-	-	(441)	(441)	-	(441)
Balance at 31 December 2018	105,000	8,225	(11,295)	(29)	(729)	101,172	2,290	103,462

Jassim Mohamed Alseddiq
Chairman

Sh. Ahmed Bin Isa Al Khalifa
Vice Chairman

Sattam Sulaiman Algosaibi
Chief Executive Officer

This information has been extracted from the consolidated financial statements for the year ended 31 December 2019 which were approved by the Board of Directors on 9 February 2020 and audited by KPMG Fakhro.

www.khconline.com

Licensed by the Central Bank of Bahrain as a Retail Islamic Bank