

# FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

All amounts are in BD 000's

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 June 2020

	30 June 2020 (Reviewed)	31 December 2019 (Audited)
<b>ASSETS</b>		
Cash and bank balances	96,327	104,376
Placements with financial institutions	10,036	65,508
Financing assets	309,081	324,355
Investment in sukuk	225,256	195,050
Assets acquired for leasing	121,265	129,097
Lease rentals receivables	21,390	17,102
Investment in equity securities at fair value through equity	40,766	43,989
Investment in associate	29,012	4,524
Investment in real estate	17,781	17,781
Development property	57,418	6,251
Other assets	24,936	23,969
Property and equipment	7,545	7,750
<b>Total assets</b>	<b>960,813</b>	<b>939,752</b>
<b>LIABILITIES</b>		
Placement from financial institutions	108,143	117,098
Placement from non-financial institutions and individuals	165,516	134,654
Term borrowing	79,636	58,105
Customers' current accounts	51,136	58,105
Other liabilities	14,028	19,798
<b>Total liabilities</b>	<b>418,459</b>	<b>329,655</b>
<b>Equity of investment account holders</b>		
From financial institutions	16,856	22,367
From non-financial institutions and individuals	382,070	499,823
	398,926	522,190
<b>OWNERS' EQUITY</b>		
Share capital	89,212	105,000
Subordinated mudaraba (AT 1)	47,060	-
Statutory reserve	8,225	8,225
Treasury shares	(11,765)	(11,730)
Employee share incentive scheme	-	-
Investment fair value reserve	(226)	-
Retained earnings	8,746	(15,788)
<b>Total owners' equity</b>	<b>141,252</b>	<b>85,707</b>
Non-controlling interest	2,176	2,200
<b>Total liabilities, equity of investment account holders, owners' equity and non-controlling interest</b>	<b>960,813</b>	<b>939,752</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT For the six months ended 30 June 2020

	Six months ended 30 June 2020 (Reviewed)	Six months ended 30 June 2019 (Reviewed)
Income from financing assets and assets acquired for leasing	15,558	14,613
Income from placements with financial institutions	352	1,421
Income from sukuk	6,035	4,814
Income from equity securities	174	299
Other income	1,197	4,051
<b>Total income before return to investment account holders</b>	<b>23,316</b>	<b>25,198</b>
Less: Return to investment account holders before Bank's Share as Mudarib	(11,477)	(13,542)
Bank's Share as a Mudarib	5,453	4,050
<b>Net return to investment account holders</b>	<b>(6,024)</b>	<b>(9,492)</b>
Expense on placements from financial institutions, non-financial institutions and individuals	(5,767)	(3,928)
Finance expense on term borrowing	(156)	(1,051)
<b>Total income</b>	<b>11,369</b>	<b>10,727</b>
Staff cost	3,472	3,944
Other expenses	2,093	2,351
<b>Total expenses</b>	<b>5,565</b>	<b>6,295</b>
<b>Profit before impairment allowances</b>	<b>5,804</b>	<b>4,432</b>
Impairment allowances	(119)	(4,265)
<b>PROFIT FOR THE PERIOD</b>	<b>5,685</b>	<b>167</b>
<b>Attributable to:</b>		
Shareholders of the Bank	5,709	199
Non-controlling interest	(24)	(32)
	5,685	167
<b>Earnings per share</b>		
Basic and diluted earnings per share ( fils)	6.521	0.211

## CONDENSED CONSOLIDATED STATEMENT CASH OF FLOW For the six months ended 30 June 2020

	30 June 2020 (Reviewed)	30 June 2019 (Reviewed)
<b>OPERATING ACTIVITIES</b>		
Disbursements to financing assets, net	(127)	(10,937)
Receipts from / (disbursements) for assets acquired for leasing, net	4,932	(13,348)
Income from short-term placements received	352	1,421
Returns paid to investment account holders	(9,502)	(5,616)
(withdrawals) Proceeds from investment account holders, net	(123,265)	110,656
Payment for expenses	(8,510)	(6,644)
Other receipts	1,209	2,329
Contributions paid to charitable organisations	(46)	(18)
Withdrawals from customers' current accounts, net	(6,969)	(5,074)
Withdrawals from financial institutions, net	(8,955)	(6,315)
Placements from non-financial institutions, net	30,861	8,264
Net receipts from / (payment) to CBB reserve account	12,696	(5,950)
Finance expense on placements paid	(5,767)	(6,208)
Income from sukuk received	6,084	4,701
<b>Net cash (used in) \ from operating activities</b>	<b>(107,007)</b>	<b>67,261</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of sukuk	(45,971)	(23,831)
Proceed from redemption / sale of sukuk	10,431	3,269
Dividend from equity securities received	202	9
Purchase of equity securities	(18)	-
Proceeds from disposal of development property	728	-
Purchase of property and equipment, net	(83)	(103)
<b>Net cash used in investing activities</b>	<b>(34,711)</b>	<b>(20,656)</b>
<b>FINANCING ACTIVITIES</b>		
Treasury shares, net	(35)	(420)
Drawdown / (repayment) of term borrowing	79,480	(7,837)
Cash from injection of AT1 Capital	11,447	-
<b>Net cash from / (used in) financing activities</b>	<b>90,892</b>	<b>(8,257)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(50,826)</b>	<b>38,348</b>
Cash and cash equivalents at beginning of the period	144,454	121,171
<b>Cash and cash equivalents at end of the period</b>	<b>93,628</b>	<b>159,519</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances (excluding CBB reserve)	83,592	49,501
Placement with financial institutions	10,036	110,018
	93,628	159,519

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2020

30 June 2020 (Reviewed)	Equity attributable to shareholders of the Bank							Non-controlling interest	Total Equity	
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Subordinated mudaraba (AT1)	Retained earnings			
<b>Balance at 1 January 2020</b>	105,000	8,225	(11,730)	-	-	-	(15,788)	85,707	2,200	87,907
Profit for the period	-	-	-	-	-	-	5,709	5,709	(24)	5,685
Total recognised income and expense for the period	-	-	-	-	-	-	5,709	5,709	(24)	5,685
Issuance of AT1	-	-	-	-	-	60,000	12,000	72,000	-	72,000
Issuance costs of AT1	-	-	-	-	-	(12,940)	-	(12,940)	-	(12,940)
Modification loss	-	-	-	-	-	(9,536)	(9,536)	(9,536)	-	(9,536)
Government grant	-	-	-	-	-	791	791	791	-	791
Capital reduction	(15,788)	-	-	-	-	15,788	-	-	-	-
Purchase of Treasury shares	-	-	(35)	-	-	-	-	(35)	-	(35)
Issue of shares under incentive scheme	-	-	-	-	-	-	-	-	-	-
Fair value revaluation movement	-	-	-	-	(226)	-	-	(226)	-	(226)
Transfer to Zakah fund	-	-	-	-	-	(218)	(218)	(218)	-	(218)
<b>Balance at 30 June 2020</b>	<b>89,212</b>	<b>8,225</b>	<b>(11,765)</b>	<b>-</b>	<b>(226)</b>	<b>47,060</b>	<b>8,746</b>	<b>141,252</b>	<b>2,176</b>	<b>143,428</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 June 2019

30 June 2019 (Reviewed)	Equity attributable to shareholders of the parent						Non-controlling interest	Total Equity
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Accumulated losses	Total		
<b>Balance at 1 January 2019</b>	105,000	8,225	(11,295)	(29)	(729)	101,172	2,290	103,462
Profit for the period	-	-	-	-	199	199	(32)	167
Total recognised income and expense for the period	-	-	-	-	199	199	(32)	167
Purchase of treasury shares	-	-	(420)	-	(420)	-	-	(420)
Issue of shares under incentive scheme	-	-	-	76	20	96	-	96
Transfer to Zakah fund	-	-	-	-	(187)	(187)	-	(187)
<b>Balance at 30 June 2019</b>	<b>105,000</b>	<b>8,225</b>	<b>(11,715)</b>	<b>47</b>	<b>(697)</b>	<b>100,860</b>	<b>2,258</b>	<b>103,118</b>

Jassim Mohamed Alseddiqi  
Chairman

Sh. Ahmed Bin Isa Al Khalifa  
Vice Chairman

Sattam Sulaiman Algasalbi  
Chief Executive Officer

This information has been extracted from the consolidated financial statements for the six months ended 30 June 2020 which were approved by the Board of Directors on 9 August 2020 and reviewed by KPMG Fakhro.

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