

FINANCIAL RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

All amounts are in BD 000's

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 September 2020

	30 September 2020 (Reviewed)	31 December 2019 (Audited)
ASSETS		
Cash and bank balances	42,163	104,376
Placements with financial institutions	47,168	65,508
Financing assets	308,230	324,355
Investment in sukuk	254,760	195,050
Assets acquired for leasing	129,558	129,097
Lease rentals receivables	17,212	17,102
Investments	56,003	43,989
Investment in associates	29,012	4,524
Investment in real estate	17,781	17,781
Development property	65,522	6,251
Other assets	24,832	23,969
Property and equipment	7,444	7,750
Total assets	999,685	939,752
LIABILITIES		
Placement from financial institutions	109,982	117,098
Placement from non-financial institutions and individuals	204,689	134,854
Term borrowings	43,612	-
Customers' current accounts	49,541	58,105
Other liabilities	13,913	19,798
Total liabilities	421,737	329,655
Equity of investment account holders		
From financial institutions	13,549	22,367
From non-financial institutions and individuals	410,280	499,823
Total equity of investment account holders	423,829	522,190
OWNERS' EQUITY		
Share capital	89,212	105,000
Subordinated mudaraba (AT 1)	47,060	-
Statutory reserve	8,225	8,225
Employee share incentive scheme	-	-
Treasury shares	(11,859)	(11,730)
Investment fair value reserve	(54)	-
Retained earnings / (accumulated losses)	11,285	(15,788)
Total owners' equity	143,869	85,707
Non-controlling interest	10,250	2,200
Total Liabilities, equity of investment account holders, owners' equity and non-controlling interest	999,685	939,752

CONDENSED CONSOLIDATED INCOME STATEMENT For the nine months ended 30 September 2020

	Nine months ended 30 September 2020 (Reviewed)	Nine months ended 30 September 2019 (Reviewed)	Three months ended 30 September 2020 (Reviewed)	Three months ended 30 September 2019 (Reviewed)
Income from financing assets and assets acquired for leasing	22,963	23,154	7,405	8,541
Income from placements with financial institutions	482	2,003	130	582
Income from sukuk	9,366	7,377	3,331	2,563
Income from investments	180	(1,372)	6	(1,671)
Fees and other income	1,827	5,099	630	1,048
Total income before return to investment account holders	34,818	36,261	11,502	11,063
Less: Return to investment account holders before Bank's Share as Mudarib	(15,861)	(20,495)	(4,384)	(6,953)
Bank's Share as a Mudarib	6,569	6,015	1,116	1,965
Return to investment account holders	(9,292)	(14,480)	(3,268)	(4,988)
Finance expense on placements from financial institutions, non-financial institutions and individuals	(9,064)	(6,022)	(3,297)	(2,094)
Finance expense term borrowings	(609)	(1,241)	(453)	(190)
Total income	15,853	14,518	4,484	3,791
Staff cost	4,689	5,555	1,217	1,611
Other operating expenses	2,979	3,822	886	1,471
Total expenses	7,668	9,377	2,103	3,082
Profit before impairment allowances	8,185	5,141	2,381	709
Impairment allowances	(464)	(10,398)	(345)	(6,133)
PROFIT / (LOSS) FOR THE PERIOD	7,721	(5,257)	2,036	(5,424)
Attributable to:				
Shareholders of the parent	7,777	(5,215)	2,068	(5,414)
Non-controlling interest	(56)	(42)	(32)	(10)
	7,721	(5,257)	2,036	(5,424)
Earnings per share				
Basic and diluted earnings per share (fil)	9.674	(6.481)	2.572	(6.732)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS For the nine months ended 30 September 2020

	Nine months ended 30 September 2020 (Reviewed)	Nine months ended 30 September 2019 (Reviewed)
OPERATING ACTIVITIES		
Receipts from financing assets, net	5,191	954
Receipt from / (payments for) assets acquired for leasing, net	3,551	(19,656)
Income from short-term placements received	482	2,003
Returns paid to investment account holders	(12,539)	(7,923)
(Withdrawals) / proceeds from investment account holders, net	(83,332)	99,273
Payment for expenses	(10,681)	(7,794)
Other receipts	1,839	3,334
Contributions paid to charitable organisations	(57)	(18)
Withdrawal from customers' current accounts, net	(8,564)	(3,216)
(Withdrawals) / Receipt from placements from financial institutions, net	(7,116)	5,418
Placements from non-financial institutions and individuals, net	70,035	14,288
Net receipts from / (payments) to CBB reserve account	10,365	(4,363)
Finance expense on placement paid	(9,054)	(9,337)
Income from sukuk received	9,634	7,576
Net cash (used in) / from operating activities	(45,286)	79,945
INVESTING ACTIVITIES		
Purchase of sukuk	(75,821)	(32,952)
Proceed from sale / redemption of sukuk	10,436	3,469
Purchase of investments	(15,080)	-
Proceed from disposal / redemption of investments	(47)	-
Proceed from disposal of development property	728	-
Dividend / income from investments	202	288
Purchase of property and equipment, net	(119)	(169)
Net cash used in investing activities	(79,701)	(29,364)
FINANCING ACTIVITIES		
Treasury shares, net	49	(350)
Cash from injection of AT1 Capital	11,447	-
Drawdown / (repayment) of term borrowing	43,632	(41,357)
Finance expenses paid on term borrowing	(330)	(1,241)
Net cash from / (used in) financing activities	54,798	(42,948)
Net (decrease) / increase in cash and cash equivalents	(70,189)	7,633
Cash and cash equivalents at beginning of the period	144,454	121,171
Cash and cash equivalents at end of the period	74,265	128,804
Cash and cash equivalents comprise:		
Cash and bank balances (excluding CBB reserve)	27,097	48,565
Placement with financial institutions	47,168	80,239
	74,265	128,804

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2020

30 September 2020 (Reviewed)	Equity attributable to shareholders of the parent									
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Investment fair value reserve	Subordinated mudaraba (AT1)	(Accumulated losses) / Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2020	105,000	8,225	(11,730)	-	-	-	(15,788)	85,707	2,200	87,907
Profit for the period	-	-	-	-	-	-	7,777	7,777	(56)	7,721
Total recognised income and expense for the period	-	-	-	-	-	-	7,777	7,777	(56)	7,721
Issuance of AT1	-	-	-	-	-	60,000	12,000	72,000	-	72,000
Issuance costs of AT1	-	-	-	-	-	(12,940)	-	(12,940)	-	(12,940)
Modification loss	-	-	-	-	-	(9,452)	(9,452)	(9,452)	-	(9,452)
Government grant	-	-	-	-	-	-	1,069	1,069	-	1,069
Capital reduction	(15,788)	-	-	-	-	-	15,788	-	-	-
Purchase of Treasury shares	-	-	-	-	-	-	-	(129)	-	(129)
Issue of shares under incentive scheme	-	-	(129)	-	-	-	109	109	-	109
Fair value revaluation movement	-	-	-	-	(54)	-	-	(54)	-	(54)
Gain of Control	-	-	-	-	-	-	-	-	8,106	8,106
Transfer to Zakah fund	-	-	-	-	-	(218)	(218)	-	-	(218)
Balance at 30 September 2020	89,212	8,225	(11,859)	-	(54)	47,060	11,285	143,869	10,250	154,119

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the nine months ended 30 September 2019

30 September 2019 (Reviewed)	Equity attributable to shareholders of the parent									
	Share capital	Statutory reserve	Treasury shares	Employee share incentive scheme	Accumulated losses	Total	Non-controlling interest	Total equity		
Balance at 1 January 2019	105,000	8,225	(11,295)	(29)	(729)	101,172	2,290	103,462		
Loss for the period	-	-	-	-	(5,215)	(5,215)	(42)	(5,257)		
Purchase of Treasury shares	-	-	(435)	-	-	(435)	-	(435)		
Issue of shares under incentive scheme	-	-	-	76	20	96	-	96		
Transfer to Zakah fund	-	-	-	-	(187)	(187)	-	(187)		
Balance at 30 September 2019	105,000	8,225	(11,730)	47	(6,111)	95,431	2,248	97,679		

Jassim Mohamed Alseddigi
Chairman

Sh. Ahmed Bin Isa Al Khalifa
Vice Chairman

Sattam Sulaiman Algosaihi
Chief Executive Officer

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This information has been extracted from the condensed consolidated financial statements for the nine months ended 30 September 2020 which were approved by the Board of Directors on 8 November 2020 and reviewed by KPMG Fakhro.