

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2020

	30 June 2020	30 June 2019
	BD'000 (reviewed)	BD'000 (reviewed)
INCOME		
Income from financing	20,385	22,614
Income from investment in Sukuk	6,004	6,125
Total income from jointly financed assets	26,389	28,739
Return on equity of investment accountholders	(10,168)	(16,860)
Group's share as Mudarib	8,016	9,612
Net return on equity of investment accountholders	(2,152)	(7,248)
Group's share of income from jointly financed assets (both as mudarib and investor)	24,237	21,491
Expense on placements from financial institutions	(2,762)	(1,385)
Expense on placements from non-financial institutions and individuals	(4,738)	(1,393)
Expense on borrowings from financial institutions	(178)	(1,591)
Fee and commission income	2,175	2,955
Income from investment securities	925	642
Income from investment in real estate, net	(453)	212
Share of results of associates, net	3	(146)
Other income	1,035	801
Total income	20,244	21,586
EXPENSES		
Staff costs	6,612	7,316
Depreciation	714	682
Other expenses	4,451	4,363
Total expenses	11,777	12,361
Profit before impairment allowances	8,467	9,225
Impairment allowance, net	(6,987)	(5,913)
PROFIT FOR THE PERIOD	1,480	3,312
BASIC AND DILUTED EARNINGS PER SHARE (fls)	1.41	3.15

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six months ended 30 June 2020

	30 June 2020	30 June 2019
	BD'000 (reviewed)	BD'000 (reviewed)
Balance at 1 January	120,923	117,749
Profit for the period	1,480	3,312
Zakah approved	(328)	(179)
Donations approved	(250)	(250)
Government Subsidy	1,689	-
Modification loss	(14,615)	-
Shares allocated to staff during the period	199	291
Net movement in investment securities fair value reserve	(513)	-
Net movement in real estate fair value reserve	-	(915)
Balance at 30 June	108,585	120,008

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	30 June 2020	31 December 2019
	BD'000 (reviewed)	BD'000 (audited)
ASSETS		
Cash and balances with banks and Central Bank	50,652	61,629
Placements with financial institutions	122,593	76,068
Financing assets	559,641	574,851
Investment securities	273,062	246,213
Ijarah Muntahia Bittamleek	193,789	179,857
Ijarah rental receivables	31,128	24,546
Investment in associates	15,812	18,750
Investment in real estate	18,179	18,756
Property and equipment	13,900	13,591
Other assets	8,693	9,299
TOTAL ASSETS	1,287,449	1,223,560
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY		
Liabilities		
Placements from financial institutions	146,277	126,964
Placements from non-financial institutions and individuals	269,989	213,420
Borrowings from financial institutions	-	29,566
Customers' current accounts	211,750	181,692
Other liabilities	20,735	21,516
Total Liabilities	648,751	573,158
Equity of Investment Accountholders		
Financial institutions	78,090	61,587
Non-financial institutions and individuals	452,023	467,892
Total Equity of Investment Accountholders	530,113	529,479
Owners' Equity		
Share capital	106,406	106,406
Treasury shares	(892)	(892)
Shares under employee share incentive scheme	(108)	(281)
Share premium	206	180
Reserves	2,973	15,510
Total Owners' Equity	108,585	120,923
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY	1,287,449	1,223,560

This condensed consolidated interim financial information was approved by the Board of Directors on 20 July 2020 and has been reviewed by KPMG.

Dr. Esam Abdulla Fakhro
Chairman

Khalid Yousif Abdul Rahman
Vice Chairman

Hassan Amin Jarrar
Chief Executive Officer

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

	30 June 2020	30 June 2019
	BD'000 (reviewed)	BD'000 (reviewed)
OPERATING ACTIVITIES		
Profit for the period	1,480	3,312
Adjustments for non-cash items:		
Depreciation	714	682
Fair Value movement on investment in real estate	395	-
Impairment allowance, net	6,987	5,913
Amortization of gain on sale of investment in real estate	(9)	(9)
Gain on sale of investment securities	(836)	-
Loss / (Gain) on sale of investment in real estate	52	(117)
Loss / (Gain) on foreign exchange revaluation	95	(7)
Share of results of associates, net	(3)	146
Operating profit before changes in operating assets and liabilities	8,875	9,920
Working capital adjustments:		
Mandatory reserve with Central Bank of Bahrain	13,306	(1,020)
Financing assets	(241)	(1,787)
Ijarah Muntahia Bittamleek	(25,987)	(9,576)
Other assets	606	1,322
Customers' current accounts	30,058	26,696
Other liabilities	384	(10,488)
Placements from financial institutions	19,313	34,392
Placements from non-financial institutions and individuals	56,569	128,826
Equity of investment accountholders	634	(160,394)
Net cash from operating activities	103,517	17,891
INVESTING ACTIVITIES		
Disposal of investment in real estate	130	2,158
Purchase of property and equipment	(1,023)	(494)
Purchase of investment securities	(42,601)	(64,237)
Proceeds from disposal of investment securities	15,088	25,962
Redemption of investment in associates	3,155	-
Net cash used in investing activities	(25,251)	(36,611)
FINANCING ACTIVITIES		
Borrowings from financial institutions	(29,412)	(20,632)
Dividends paid	(1)	(3)
Net cash used in financing activities	(29,413)	(20,635)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	48,853	(39,355)
Cash and cash equivalents at 1 January	99,670	163,116
CASH AND CASH EQUIVALENTS AT 30 JUNE	148,523	123,761
Cash and cash equivalents comprise of:		
Cash on hand	18,508	10,727
Balances with CBB, excluding mandatory reserve deposits	1,775	223
Balances with banks and other financial institutions excluding restricted balances	5,647	8,279
Placements with financial institutions with original maturities less than 90 days	122,593	104,532
	148,523	123,761