

# ESKAN BANK B.S.C. (C)

## CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

(Amounts in Bahraini Dinars thousands)

	30 September 2021 (reviewed)	31 December 2020 (audited)
<b>Assets</b>		
Cash and bank balances	77,343	30,104
Investments	4,297	4,771
Loans	752,671	750,860
Investment in associate	4,250	4,413
Investment properties	49,943	50,021
Development properties	15,036	18,372
Other assets	14,424	3,217
<b>Total assets</b>	<b>917,964</b>	<b>861,758</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Interbank borrowings	10,000	10,000
Customer current account	2,680	2,103
Government accounts	495,296	463,754
Term loans	45,000	45,000
Other liabilities	8,867	6,039
<b>Total liabilities</b>	<b>561,843</b>	<b>526,896</b>
<b>Equity</b>		
Share capital	108,300	108,300
Contribution by shareholder	22,449	22,345
Statutory reserve	54,462	54,462
Fair value reserve	(650)	(650)
Retained earnings	162,766	142,311
Equity attributable to Bank's shareholder	347,327	326,768
Non-controlling interest	8,794	8,094
<b>Total equity</b>	<b>356,121</b>	<b>334,862</b>
<b>Total liabilities and equity</b>	<b>917,964</b>	<b>861,758</b>

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 30 September 2021

(Amounts in Bahraini Dinars thousands)

	Nine months ended 30 September 2021 (reviewed)		Three months ended 30 September 2021 (reviewed)	
Interest income	24,516	23,642	8,277	7,976
Interest expense	(90)	(115)	(28)	(37)
<b>Net interest income</b>	<b>24,426</b>	<b>23,527</b>	<b>8,249</b>	<b>7,939</b>
Income from properties	1,956	259	237	119
Net share of profit from investment in associate	187	114	37	41
Other income	856	462	346	184
<b>Total operating income</b>	<b>27,425</b>	<b>24,362</b>	<b>8,869</b>	<b>8,283</b>
Staff costs	(3,721)	(3,785)	(1,211)	(1,208)
Other expenses	(1,425)	(1,340)	(450)	(371)
<b>Total operating expenses</b>	<b>(5,146)</b>	<b>(5,125)</b>	<b>(1,661)</b>	<b>(1,579)</b>
<b>Profit before provision for impairment loss, net</b>	<b>22,279</b>	<b>19,237</b>	<b>7,208</b>	<b>6,704</b>
Provision for impairment loss, net	(1,125)	(1,837)	(1,015)	124
<b>Profit for the period</b>	<b>21,154</b>	<b>17,400</b>	<b>6,193</b>	<b>6,828</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>21,154</b>	<b>17,400</b>	<b>6,193</b>	<b>6,828</b>
<b>Attributable to:</b>				
Equity shareholder of the parent	20,455	17,426	6,116	6,831
Non-controlling interest	699	(26)	77	(3)
	<b>21,154</b>	<b>17,400</b>	<b>6,193</b>	<b>6,828</b>

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2021

(Amounts in Bahraini Dinars thousands)

	30 September 2021 (reviewed)	30 September 2020 (reviewed)
<b>Operating activities</b>		
Profit for the period	21,154	17,400
Adjustments for:		
Net share of profit from investment in associate	(187)	(114)
Provision for impairment loss, net	1,125	1,837
Gain on sale of development properties	(1,583)	-
Depreciation and amortization	390	405
Operating profit before working capital changes	20,899	19,528
Net collections from loans	24,427	1,115
Decrease / (increase) in development properties	4,920	(1,778)
(increase) / decrease in other assets	(11,357)	944
Increase in customer current account	578	37
Increase in restricted bank balance	(2,339)	-
Increase in other liabilities	2,966	10,423
Net movement in government account	(12,881)	875
<b>Net cash generated from operating activities</b>	<b>27,213</b>	<b>31,144</b>
<b>Investing activities</b>		
Placement with financial institution with original maturity of more than 90 days	(7,302)	-
Purchase of equipment	(175)	(73)
Redemption / (investment) in debt securities	473	(3,424)
Additional investment in associate	(33)	(96)
Dividend received on investment in associate	86	56
<b>Net cash used in investing activities</b>	<b>(6,951)</b>	<b>(3,537)</b>
<b>Financing activities</b>		
Proceeds from term loans	-	36,200
Repayment of term loans	-	(60,000)
Proceeds from government	20,000	-
Payment to and on behalf of government	(2,687)	(3,163)
<b>Net cash generated from / (used in) financing activities</b>	<b>17,313</b>	<b>(26,963)</b>
<b>Net increase in cash and cash equivalents</b>	<b>37,575</b>	<b>644</b>
Cash and cash equivalents at 1 January	29,282	30,901
<b>Cash and cash equivalents at 30 September</b>	<b>66,857</b>	<b>31,545</b>

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2021

(Amounts in Bahraini Dinars thousands)

	Equity attributable to Bank's shareholder						Non-controlling interest	Total equity
	Share capital	Contribution by shareholder	Statutory reserve	Fair value reserve	Retained earnings	Total		
<b>2021 (reviewed)</b>								
As at 1 January 2021	108,300	22,344	54,462	(650)	142,311	326,767	8,095	334,862
Total comprehensive income for the period	-	-	-	-	20,455	20,455	699	21,154
Transfer of land	-	105	-	-	-	105	-	105
<b>As at 30 September 2021</b>	<b>108,300</b>	<b>22,449</b>	<b>54,462</b>	<b>(650)</b>	<b>162,766</b>	<b>347,327</b>	<b>8,794</b>	<b>356,121</b>
<b>2020 (reviewed)</b>								
As at 1 January 2020	108,300	22,007	54,462	(416)	115,527	299,880	6,627	306,507
Total comprehensive income for the period	-	-	-	-	17,426	17,426	(26)	17,400
Transfer of land	-	211	-	-	-	211	-	211
Modification loss	-	-	-	(15,442)	-	(15,442)	-	(15,442)
Government subsidy	-	-	-	-	689	689	-	689
Modification loss borne by Government	-	-	-	-	15,083	15,083	-	15,083
<b>As at 30 September 2020</b>	<b>108,300</b>	<b>22,218</b>	<b>54,462</b>	<b>(416)</b>	<b>133,283</b>	<b>317,847</b>	<b>6,601</b>	<b>324,448</b>

Basim Bin Yacob Al Hamer, Chairman

Najla Al Shirawi, Director

Dr. Khalid Abdulla, General Manager

This information has been extracted from the condensed consolidated interim financial information for the nine months ended 30 September 2021 which were approved by board of directors on 10 November 2021 and reviewed by KPMG Fakhro