

ESKAN BANK B.S.C. (C)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

(Amounts in Bahraini Dinars thousands)

	30 June 2023 (reviewed)	31 December 2022 (audited)
Assets		
Cash and bank balances	53,232	87,820
Investments	3,438	4,493
Loans	860,110	808,805
Investment in associate	4,020	4,120
Investment properties	64,303	61,523
Development properties	33,807	39,094
Other assets	2,683	2,703
Total assets	1,021,593	1,008,558
Liabilities and equity		
Liabilities		
Interbank borrowings	10,000	10,000
Customer current account	8,886	9,267
Government accounts	493,304	505,202
Term loans	75,000	75,000
Other liabilities	10,291	7,305
Total liabilities	597,481	606,774
Equity		
Share capital	108,300	108,300
Contribution by shareholder	41,484	36,915
Statutory reserve	54,462	54,462
Fair value reserve	(108)	(108)
Retained earnings	219,974	202,215
Total equity	424,112	401,784
Total liabilities and equity	1,021,593	1,008,558

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2023

(Amounts in Bahraini Dinars thousands)

	Six months ended		Three months ended	
	30 June 2023 (reviewed)	2022 (reviewed)	30 June 2023 (reviewed)	2022 (reviewed)
Interest income	19,050	18,359	9,391	9,255
Interest expense	(126)	(47)	(72)	(26)
Net interest income	18,924	18,312	9,319	9,229
Income from properties	2,586	982	2,086	735
share of profit from investment in associate	145	115	81	57
Other income	487	400	325	231
Total operating income	22,142	19,809	11,811	10,252
Staff costs	(2,967)	(2,613)	(1,434)	(1,261)
Other expenses	(1,448)	(1,136)	(775)	(538)
Total operating expenses	(4,415)	(3,749)	(2,209)	(1,799)
Profit before release of provision for impairment loss, net	17,727	16,060	9,602	8,452
Release / (charge) of provision for impairment loss, net	32	(165)	(4)	(211)
Profit for the period	17,759	15,895	9,598	8,241
Other comprehensive income	-	-	-	-
Profit and total comprehensive income for the period	17,759	15,895	9,598	8,241
Profit and total comprehensive income attributable to:				
Equity shareholder of the parent	17,759	15,506	9,598	7,914
Non-controlling interest	-	389	-	327
	17,759	15,895	9,598	8,241

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

(Amounts in Bahraini Dinars thousands)

	30 June 2023 (reviewed)	30 June 2022 (reviewed)
Operating activities		
Profit for the period	17,759	15,895
Adjustments for:		
Share of profit from investment in associate	(145)	(115)
Release of provision for impairment loss, net	(32)	165
Gain on sale of development properties	(2,263)	(481)
Depreciation and amortization	297	292
Operating profit before working capital changes	15,616	15,756
(Disbursement of) / collection from loans, net	(29,340)	13,659
Decrease / (increase) in development properties	9,190	(13,180)
Decrease / (increase) in other assets	142	(201)
(Decrease) / increase in customer current account	(382)	345
(Increase) / decrease in restricted bank balance	(449)	182
Increase / (decrease) in other liabilities	2,986	(1,446)
Net movement in government account	(29,778)	3,053
Net cash (used in) / generated from operating activities	(32,015)	18,168
Investing activities		
Maturity of placement with financial institution with original maturity of more than 90 days	10,000	2,949
Purchase of equipment	(118)	(47)
Maturity of debt securities / (investment in debt securities)	1,055	(6,581)
Additional investment in associate	(42)	(5)
Dividend received on investment in associate	128	188
Net cash generated from / (used in) investing activities	11,023	(3,496)
Financing activity		
Payment to and on behalf of government, net	(4,048)	(2,718)
Net cash used in financing activity	(4,048)	(2,718)
Net (decrease) / increase in cash and cash equivalents	(25,040)	11,954
Cash and cash equivalents at 1 January	77,798	80,076
Cash and cash equivalents at 30 June	52,758	92,030

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

(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		
2023 (reviewed)								
As at 1 January 2023	108,300	36,915	54,462	(108)	202,215	401,784	-	401,784
Total comprehensive income for the period	-	-	-	-	17,759	17,759	-	17,759
Transfer of land	-	4,569	-	-	-	4,569	-	4,569
As at 30 June 2023	108,300	41,484	54,462	(108)	219,974	424,112	-	424,112
2022 (reviewed)								
As at 1 January 2022	108,300	22,450	54,462	(572)	171,022	355,662	9,274	364,936
Total comprehensive income for the period	-	-	-	-	15,506	15,506	389	15,895
Transfer of land	-	11	-	-	-	11	-	11
As at 30 June 2022	108,300	22,461	54,462	(572)	186,528	371,179	9,663	380,842

H.E. Mrs. Amna Bint Ahmed Al Romaihi, Chairperson

Isha Abdulla Zainal, Director

Dr. Khalid Abdulla, General Manager

This information has been extracted from the interim condensed consolidated financial statements for the six months ended 30 June 2023 which were approved by board of directors on 13 August 2023 and reviewed by Ernst & Young - Middle East