

ESKAN BANK B.S.C. (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 June 2017

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2017 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	30 June 2017 (reviewed)	31 December 2016 (audited)
ASSETS		
Cash and bank balances	56,751	81,991
Investments	4,757	4,757
Loans	475,707	479,006
Investment in associates	5,906	3,408
Investment properties	54,482	44,550
Development properties	15,087	20,757
Other assets	3,715	2,338
TOTAL ASSETS	616,405	636,807
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from financial and other institutions	20,000	35,500
Customer current accounts	4,219	4,597
Government accounts	269,182	272,215
Term loans	49,000	69,000
Other liabilities	24,389	24,667
Total liabilities	366,790	405,979
EQUITY		
Share capital	108,300	108,300
Contribution by shareholder	23,946	13,950
Statutory reserve	54,462	54,462
Retained earnings	56,241	47,451
Equity attributable to Bank's shareholders	242,949	224,163
Non-controlling interest	6,666	6,665
Total equity	249,615	230,828
TOTAL LIABILITIES AND EQUITY	616,405	636,807

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND

OTHER COMPREHENSIVE INCOME

For the six month period ended 30 June 2017 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	Six months ended		Three months ended	
	30 June 2017 (reviewed)	30 June 2016 (reviewed)	30 June 2017 (reviewed)	30 June 2016 (reviewed)
Management charges	7,941	7,670	3,929	3,848
Interest income	1,059	1,236	531	612
Income from properties	2,878	272	714	142
Share of profit of associates	390	313	290	291
Other income	415	167	313	80
TOTAL INCOME	12,683	9,658	5,777	4,973
Staff costs	2,741	2,469	1,501	1,273
Interest expense	276	358	148	290
Other expenses	739	724	361	383
Provision of impairment on loans	135	107	112	80
TOTAL EXPENSES	3,891	3,658	2,122	2,026
PROFIT FOR THE PERIOD	8,792	6,000	3,655	2,947
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	8,792	6,000	3,655	2,947
Attributable to:				
Equity shareholders of the parent	8,791	6,073	3,652	3,024
Non-controlling interest	1	(73)	3	(77)
	8,792	6,000	3,655	2,947

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2017 (Reviewed)

(Amounts in Bahraini Dinars thousands)

	30 June 2017 (reviewed)	30 June 2016 (reviewed)					
OPERATING ACTIVITIES							
Profit for the period	8,792	6,000					
Adjustments for:							
Net share of profit of associates	(390)	(313)					
Gain on sale of development properties	(2,621)	-					
Provision for impairment on loans	135	107					
Depreciation	162	184					
Operating profit before working capital changes	6,078	5,978					
(Increase) / decrease in placements with banks	(11,855)	777					
Decrease / (increase) in loans	3,165	(14,371)					
Increase in development properties	(1,228)	(3,890)					
(Increase) / decrease in other assets	(1,345)	86					
(Decrease) / increase in deposits from financial and other institutions	(15,500)	11,997					
(Decrease) / increase in other liabilities	(656)	1,313					
Net Cash flows (used in) generated from operating activities	(21,341)	1,890					
INVESTING ACTIVITIES							
Purchase of equipment	(132)	(252)					
Proceeds from sale of development properties	9,519	-					
Acquisition of shares in associate	(2,108)	-					
Capital repayment from associate	-	1,212					
Net cash generated from investing activities	7,279	960					
FINANCING ACTIVITIES							
Repayment of term loans	(20,000)	(20,000)					
Net movement on government accounts	(3,033)	21,232					
Net cash (used in) generated from financing activities	(23,033)	1,232					
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(37,095)	4,082					
Cash and cash equivalents at 1 January	71,879	34,510					
CASH AND CASH EQUIVALENTS AT 30 June	34,784	38,592					
Cash and cash equivalent comprise:							
Cash and bank balances	1,784	6,252					
Short term placements (with an original maturity of 90 days or less)	33,000	32,340					
	34,784	38,592					
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY							
For the six month period ended 30 June 2017 (Reviewed)							
(Amounts in Bahraini Dinars thousands)							
	Share capital	Contribution by shareholder	Statutory reserve	Retained earnings	Total	Non-controlling interest	Total equity
As at 1 January 2017	108,300	13,950	54,462	47,451	224,163	6,665	230,828
Transfer of land	-	9,995	-	-	9,995	-	9,995
Total comprehensive income for the period	-	-	-	8,791	8,791	1	8,792
As at 30 June 2017	108,300	23,945	54,462	56,242	242,949	6,666	249,615
As at 1 January 2016	108,300	1,509	54,462	50,989	215,260	6,638	221,898
Total comprehensive income for the period	-	-	-	6,073	6,073	(73)	6,000
As at 30 June 2016	108,300	1,509	54,462	57,062	221,333	6,565	227,898

Basim Bin Yacob Al Hamer, Chairman

Dr. Khalid Abdulla, General Manager

The above condensed consolidated statement of financial position and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows have been extracted from the condensed consolidated financial statements of ESKAN BANK B.S.C. (c), which were approved by the Board of Directors and on which an unqualified review conclusion was issued by KPMG, Kingdom of Bahrain on 14th August 2017.