

ESKAN BANK B.S.C. (C)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

(Amounts in Bahraini Dinars thousands)

	30 June 2021 (reviewed)	31 December 2020 (audited)
Assets		
Cash and bank balances	39,382	30,104
Investments	4,795	4,771
Loans	742,857	750,860
Investment in associate	4,208	4,413
Investment properties	50,047	50,021
Development properties	14,268	18,372
Other assets	15,234	3,217
Total assets	870,791	861,758
Liabilities and equity		
Liabilities		
Interbank borrowings	10,000	10,000
Customer current account	2,810	2,103
Government accounts	456,444	463,754
Term loans	45,000	45,000
Other liabilities	6,609	6,039
Total liabilities	520,863	526,896
Equity		
Share capital	108,300	108,300
Contribution by shareholder	22,450	22,345
Statutory reserve	54,462	54,462
Fair value reserve	(650)	(650)
Retained earnings	156,649	142,311
Equity attributable to Banks shareholder	341,211	326,768
Non-controlling interest	8,717	8,094
Total equity	349,928	334,862
Total liabilities and equity	870,791	861,758

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2021

(Amounts in Bahraini Dinars thousands)

	Six months ended 30 June		Three months ended 30 June	
	2021 (reviewed)	2020 (reviewed)	2021 (reviewed)	2020 (reviewed)
Interest income	16,239	15,666	8,269	7,698
Interest expense	(62)	(77)	(30)	(34)
Net interest income	16,177	15,589	8,239	7,664
Income from properties	1,719	140	939	1
Net share of profit from investment in associate	149	73	85	30
Other income	511	277	254	200
Total operating income	18,556	16,079	9,517	7,895
Staff costs	(2,510)	(2,577)	(1,246)	(1,354)
Other expenses	(975)	(969)	(484)	(466)
Total operating expenses	(3,485)	(3,546)	(1,730)	(1,820)
Profit before provision for impairment loss, net	15,071	12,533	7,787	6,075
Provision for impairment loss, net	(110)	(1,961)	(209)	(1,760)
Profit for the period	14,961	10,572	7,578	4,315
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	14,961	10,572	7,578	4,315
Attributable to:				
Equity shareholder of the parent	14,338	10,595	7,242	4,334
Non-controlling interest	623	(23)	336	(19)
	14,961	10,572	7,578	4,315

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2021

(Amounts in Bahraini Dinars thousands)

	30 June 2021 (reviewed)	30 June 2020 (reviewed)
Operating activities		
Profit for the period	14,961	10,572
Adjustments for:		
Net share of profit from investment in associate	(149)	(73)
Provision for impairment loss, net	110	1,961
Gain on sale of development properties	(1,446)	-
Depreciation and amortization	260	270
Operating profit before working capital changes	13,736	12,730
Decrease in loans	16,615	3,288
Decrease / (increase) in development properties	5,550	(1,993)
(increase) / decrease in other assets	(12,106)	689
Decrease in interbank borrowings	-	(3,000)
Increase in customer current account	707	65
Increase in other liabilities	670	5,139
Net movement in government account	(14,143)	5,369
Net cash generated from operating activities	11,029	22,287
Investing activities		
Placement with financial institution with original maturity of more than 90 days	(5,900)	-
Purchase of equipment	(87)	(58)
Investment in debt securities	(25)	(667)
(Additional investment) / partial redemption of investment in associate	(29)	41
Net cash used in investing activities	(6,041)	(684)
Financing activities		
Proceeds from term loans	-	36,200
Repayment of term loans	-	(60,000)
Payment to and on behalf of government	(1,626)	(1,587)
Net cash used in financing activities	(1,626)	(25,387)
Net increase / (decrease) in cash and cash equivalents	3,362	(3,784)
Cash and cash equivalents at 1 January	29,282	30,901
Cash and cash equivalents at 30 June	32,644	27,117

*The balances at 30 June 2021 and 30 June 2020 are gross of expected credit loss of BD 0.25 and BD Nil respectively.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 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		
2021 (reviewed)								
As at 1 January 2021	108,300	22,345	54,462	(650)	142,311	326,768	8,094	334,862
Total comprehensive income for the period	-	-	-	-	14,338	14,338	623	14,961
Transfer of land	-	105	-	-	-	105	-	105
As at 30 June 2021	108,300	22,450	54,462	(650)	156,649	341,211	8,717	349,928
2020 (reviewed)								
As at 1 January 2020	108,300	22,007	54,462	(416)	115,528	299,881	6,627	306,508
Total comprehensive income for the period	-	-	-	-	10,595	10,595	(23)	10,572
Modification loss	-	-	-	-	(15,443)	(15,443)	-	(15,443)
Government subsidy	-	-	-	-	659	659	-	659
Modification loss borne by Government	-	-	-	-	15,083	15,083	-	15,083
As at 30 June 2020	108,300	22,007	54,462	(416)	126,422	310,775	6,604	317,379

Basim Bin Yacub 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 six months ended 30 June 2021 which were approved by board of directors on 8 August 2021 and reviewed by KPMG Fakhro