

ESKAN BANK B.S.C. (C)

CONSOLIDATED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022
(Amounts in Bahraini Dinars thousands)

	2022 (Audited)	2021 (Audited)
Assets		
Cash and bank balances	87,820	85,472
Investments	4,493	7,223
Loans	808,805	749,670
Investment in associate	4,120	4,189
Investment properties	61,523	59,474
Development properties	39,094	13,779
Other assets	2,703	14,394
Total assets	1,008,558	934,201
Liabilities and equity		
Liabilities		
Interbank borrowings	10,000	10,000
Customer current accounts	9,267	8,547
Government accounts	505,202	469,185
Term loans	75,000	75,000
Other liabilities	7,305	6,534
Total liabilities	606,774	569,266
Equity		
Share capital	108,300	108,300
Contribution by the shareholder	36,915	22,450
Statutory reserve	54,462	54,462
Fair value reserve	(108)	(572)
Retained earnings	202,215	171,021
Equity attributable to Bank's shareholder	401,784	355,661
Non-controlling interest	-	9,274
Total equity	401,784	364,935
Total liabilities and equity	1,008,558	934,201

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022
(Amounts in Bahraini Dinars thousands)

	2022 (audited)	2021 (audited)
Interest income	38,223	33,947
Interest expense	(135)	(112)
Net interest income	38,088	33,835
Income from properties	1,936	3,205
Net share of profit from investment in associate	205	254
Other income	1,023	1,061
Total operating income	41,252	38,355
Staff costs	(5,222)	(4,923)
Other expenses	(2,562)	(1,999)
Total operating expenses	(7,784)	(6,922)
Profit before net impairment loss	33,468	31,433
Net impairment loss	(508)	(1,543)
Profit for the year	32,960	29,890
Other comprehensive income		
Items that will not be classified to profit or loss:		
Change in the fair value of equity instruments classified at fair value through other comprehensive income	(109)	78
Total comprehensive income for the year	32,851	29,968
Profit attributable to:		
Equity shareholder of the parent	32,315	28,710
Non-controlling interest	645	1,180
Total comprehensive income attributable to:	32,960	29,890
Equity shareholder of the parent	32,206	28,788
Non-controlling interest	645	1,180
Total comprehensive income attributable to:	32,851	29,968

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022
(Amounts in Bahraini Dinars thousands)

	2022 (Audited)	2021 (Audited)
Operating activities		
Profit for the year	32,960	29,890
Adjustments for:		
Share of profit from investment in associate	(205)	(254)
Net impairment loss	508	1,543
Land compensation income	-	(676)
Other income	(142)	-
Gain on sale of development properties	(1,104)	(2,019)
Depreciation and amortization	588	553
Operating profit before working capital changes:	32,605	29,037
Net collections from loans	23,660	32,913
Decrease in other assets	(66)	(11,412)
(Increase) / decrease in development properties	(10,742)	6,375
Increase in Investment properties	(25)	-
Decrease / (increase) in restricted bank balance	326	(351)
Increase in customer current accounts	720	312
Increase in other liabilities	767	532
Net movement in government account	(28,972)	(37,722)
Net cash generated from operating activities	18,273	19,684
Investing activities		
Maturity of debt securities / investment in debt securities	1,978	(2,374)
Placement with financial institution with original maturity of more than 90 days	(4,941)	(4,205)
Dividend received on investment in associate	188	186
Purchase of equipment	(125)	(242)
Investment in an associate	(45)	(44)
Net cash used in investing activities	(2,945)	(6,679)
Financing activities		
Proceeds from term loans	-	30,000
Proceeds from government	-	20,000
Payment to and on behalf of government, net	(17,606)	(12,211)
Net cash (used in) / generated from financing activities	(17,606)	37,789
Net (decrease) / increase in cash and cash equivalents	(2,278)	50,794
Cash and cash equivalents at 1 January	80,076	29,282
Cash and cash equivalents at 31 December	77,798	80,076

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022
(Amounts in Bahraini Dinars thousands)

	Equity attributable to Bank's shareholder					Total	Non-controlling interest	Total equity
	Share capital	Contribution by shareholder	Statutory reserve	Fair value reserve	Retained earnings			
2022 (audited)								
As at 1 January 2022	108,300	22,450	54,462	(572)	171,021	355,661	9,274	364,935
Total comprehensive income:								
Profit for the year	-	-	-	-	32,315	32,315	645	32,960
Other comprehensive income	-	-	-	(109)	-	(109)	-	(109)
Transfer of lands	-	14,465	-	-	-	14,465	-	14,465
Sale of equity FVOCI	-	-	-	573	(573)	-	-	-
Transaction with owners recognised directly in equity:								
Acquisition of NCI without a change in control	-	-	-	-	(548)	(548)	(9,919)	(10,467)
As at 31 December 2022	108,300	36,915	54,462	(108)	202,215	401,784	-	401,784
2021 (audited)								
As at 1 January 2021	108,300	22,345	54,462	(650)	142,311	326,768	8,094	334,862
Total comprehensive income:								
Profit for the year	-	-	-	-	28,710	28,710	1,180	29,890
Other comprehensive income	-	-	-	78	-	78	-	78
Transfer of land	-	105	-	-	-	105	-	105
As at 31 December 2021	108,300	22,450	54,462	(572)	171,021	355,661	9,274	364,935

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

Isa Abdulla Zainal, Director

Dr. Khalid Abdulla, General Manager

This information has been extracted from the consolidated financial information for the year ended 31 December 2022 which were approved by board of directors on 26 February 2023 and audited by KPMG Fakhro