

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

## CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020  
(Amounts in Bahraini Dinars thousands)

	2020 (audited)	2019 (audited)
<b>Assets</b>		
Cash and bank balances	30,104	30,895
Investments	4,771	4,870
Loans	750,860	710,662
Investment in associate	4,413	4,340
Investment properties	50,021	50,498
Development properties	18,372	29,986
Other assets	3,217	30,571
<b>Total assets</b>	<b>861,758</b>	<b>861,822</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Interbank borrowings	10,000	10,000
Customer current account	2,103	2,180
Government accounts	463,754	467,235
Term loans	45,000	68,300
Other liabilities	6,039	7,600
<b>Total liabilities</b>	<b>526,896</b>	<b>555,315</b>
<b>Equity</b>		
Share capital	108,300	108,300
Contribution by shareholder	22,345	22,007
Statutory reserve	54,462	54,462
Fair value reserve	(650)	(416)
Retained earnings	142,311	115,527
Equity attributable to Bank's shareholder	326,768	299,880
Non-controlling interest	8,094	6,627
<b>Total equity</b>	<b>334,862</b>	<b>306,507</b>
<b>Total liabilities and equity</b>	<b>861,758</b>	<b>861,822</b>

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

For the year ended 31 December 2020  
(Amounts in Bahraini Dinars thousands)

	2020 (audited)	2019 (audited)
Interest income	32,001	30,393
Interest expense	(287)	(210)
<b>Net interest income</b>	<b>31,714</b>	<b>30,183</b>
Income from properties	3,993	563
Net share of profit from investment in associate	150	185
Other income	681	739
<b>Total operating income</b>	<b>36,538</b>	<b>31,670</b>
Staff costs	(5,074)	(4,286)
Other expenses	(1,903)	(1,735)
<b>Total operating expenses</b>	<b>(6,977)</b>	<b>(6,021)</b>
<b>Profit before net impairment loss</b>	<b>29,561</b>	<b>25,649</b>
Net impairment loss	(1,653)	(2,531)
<b>Profit for the year</b>	<b>27,908</b>	<b>23,118</b>
Other comprehensive income	(234)	(424)
<b>Total comprehensive income for the year</b>	<b>27,674</b>	<b>22,693</b>
Profit attributable to:		
Equity shareholder of the parent	26,441	23,142
Non-controlling interest	1,467	(25)
	<b>27,908</b>	<b>23,117</b>

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020  
(Amounts in Bahraini Dinars thousands)

	2020 (Audited)	2019 (Audited)
<b>Operating activities</b>		
Profit for the year	27,908	23,117
Adjustments for:		
Share of profit from investment in associate	(150)	(185)
Net impairment loss	1,653	2,531
Gain on sale of development properties	(3,575)	-
Depreciation and amortization	538	540
Operating profit before working capital changes	26,374	26,003
Decrease in loans	19,777	35,490
Decrease in other assets	14	255
Decrease / (increase) in development properties	14,703	(7,093)
(Decrease) in deposits from financial and other institutions	-	(500)
(Decrease) / increase in customer current accounts	(78)	319
(Decrease) / increase in other liabilities	(1,540)	1,486
Net movement in government account	(21,742)	(26,770)
<b>Net cash generated from operating activities</b>	<b>37,508</b>	<b>29,190</b>
<b>Investing activities</b>		
(Investment in) / maturity of debt securities	(135)	3,337
Placement with financial institution with original maturity of more than 90 days	(853)	-
Capital repayment on investment	-	655
Dividend received from an associate	122	206
Purchase of equipment	(83)	(314)
Investment in an associate	(123)	(231)
<b>Net cash (used in) / generated from investing activities</b>	<b>(1,072)</b>	<b>3,653</b>
<b>Financing activities</b>		
Repayment of term loans	(69,500)	(20,000)
Proceeds from term loans	46,200	14,600
Payment to and on behalf of government	(14,755)	(14,630)
<b>Net cash used in financing activities</b>	<b>(38,055)</b>	<b>(20,030)</b>
<b>Net (Decrease) / increase in cash and cash equivalents</b>	<b>(1,619)</b>	<b>12,813</b>
Cash and cash equivalents at 1 January	30,901	18,089
<b>Cash and cash equivalents at 31 December</b>	<b>29,282</b>	<b>30,902</b>

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020  
(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>2020 (audited)</b>								
As at 1 January 2020	108,300	22,007	54,462	(416)	115,527	299,880	6,627	306,507
Total comprehensive income	-	-	-	-	26,441	26,441	1,467	27,908
Profit for the year	-	-	-	-	-	-	-	-
Transfer of land	-	338	-	-	-	338	-	338
Other comprehensive income	-	-	-	(234)	-	(234)	-	(234)
Modification loss	-	-	-	-	(15,443)	(15,443)	-	(15,443)
Government subsidy	-	-	-	-	702	702	-	702
Modification loss borne by Government	-	-	-	-	15,083	15,083	-	15,083
<b>As at 31 December 2020</b>	<b>108,300</b>	<b>22,345</b>	<b>54,462</b>	<b>(650)</b>	<b>142,311</b>	<b>326,768</b>	<b>8,094</b>	<b>334,862</b>
<b>2019 (audited)</b>								
As at 1 January 2019	108,300	22,007	54,462	8	92,385	277,163	6,652	283,815
Total comprehensive income	-	-	-	-	23,142	23,142	(25)	23,117
Profit for the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	(424)	-	(424)	-	(424)
<b>As at 31 December 2019</b>	<b>108,300</b>	<b>22,007</b>	<b>54,462</b>	<b>(416)</b>	<b>115,527</b>	<b>299,880</b>	<b>6,627</b>	<b>306,507</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 financial information for the year ended 31 December 2020 which were approved by board of directors on 23 February 2021 and audited by KPMG Fakhro.