

ESKAN BANK B.S.C. (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH ENDED 30 JUNE 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

(Amounts in Bahraini Dinars thousands)

	30 June 2018 (reviewed)	31 December 2017 (audited)
Assets		
Cash and bank balances	92,552	39,663
Investments	15,014	10,029
Loans	608,515	609,863
Investment in associates	5,616	5,573
Investment properties	53,443	53,507
Development properties	19,753	16,196
Other assets	3,910	3,571
Total assets	798,803	738,402
Liabilities and Equity		
Liabilities		
Deposits from financial and other institutions	20,000	20,500
Customer current accounts	3,564	3,634
Government accounts	415,575	415,674
Term loans	80,000	30,000
Other liabilities	5,203	6,229
Total liabilities	524,342	476,037
Equity		
Share capital	108,300	108,300
Contribution by shareholder	23,946	23,946
Statutory reserve	54,462	54,462
Retained earnings	81,089	68,976
Equity attributable to Banks shareholder	267,797	255,684
Non-controlling interest	6,664	6,681
Total equity	274,461	262,365
Total liabilities and equity	798,803	738,402

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2018

(Amounts in Bahraini Dinars thousands)

	Six months ended 30 June		Three months ended 30 June	
	2018 (reviewed)	2017 (reviewed)	2018 (reviewed)	2017 (reviewed)
Interest income	13,757	9,001	6,988	4,460
Income from properties	356	2,871	181	714
Share of profit from investment in associate	152	390	60	290
Other income	856	421	736	313
Total income	15,121	12,683	7,965	5,777
Staff costs	(2,263)	(2,741)	(1,167)	(1,501)
Interest expense	(155)	(276)	(90)	(148)
Other expenses	(741)	(739)	(359)	(361)
Total expenses	(3,159)	(3,756)	(1,616)	(2,010)
Profit before provision for impairment	11,962	8,927	6,349	3,767
Release / (charge) of provision for impairment	203	(135)	167	(112)
Profit for the period	12,165	8,792	6,516	3,655
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	12,165	8,792	6,516	3,655
Attributable to:				
Equity shareholder of the parent	12,175	8,791	6,528	3,652
Non-controlling interest	(10)	1	(12)	3
	12,165	8,792	6,516	3,655

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2018

(Amounts in Bahraini Dinars thousands)

	30 June 2018 (reviewed)	30 June 2017 (reviewed)
Operating activities		
Profit for the period	12,165	8,792
Adjustments for:		
Share of profit from investment in associates	(152)	(390)
Gain on sale of development properties	(25)	(2,621)
(Release) / charge of provision for impairment	(203)	135
Depreciation	155	162
Operating profit before working capital changes	11,940	6,078
Decrease / (increase) in placements with banks (original maturity more than 90 days)	1,353	(11,288)
(Increase) / decrease in loans	(9,447)	3,165
(Increase) / decrease development properties	(3,532)	8,291
Increase in other assets	(204)	(1,345)
Decrease in deposits from financial and other institutions	(500)	(15,500)
Decrease in customer current account	(71)	(378)
Decrease in other liabilities	(1,025)	(277)
Net cash used in operating activities	(1,486)	(11,254)
Investing activities		
Purchase of equipment	(83)	(132)
Investment in debt securities	(4,985)	(568)
Investment in associate	(35)	(2,108)
Net cash used in investing activities	(5,103)	(2,808)
Financing activities		
Repayment of term loans	-	(20,000)
Proceeds of term loans	50,000	-
Net movement on Government accounts	10,844	(3,033)
Net cash generated from / (used in) financing activities	60,844	(23,033)
Net increase / (decrease) in cash and cash equivalents	54,255	(37,095)
Cash and cash equivalents at 1 January	38,310	71,879
Cash and cash equivalents at 30 June	92,565	34,784
Cash and cash equivalent comprise :		
Cash in hand and current accounts with banks	2,565	1,784
Placements with banks (with an original maturity of 90 days or less)	90,000	33,000
	92,565	34,784

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2018 (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 2018	108,300	23,946	54,462	68,976	255,684	6,681	262,365
Adjustment on initial adoption of IFRS 9 as at 1 January 2018	-	-	-	(10,839)	(10,839)	(7)	(10,846)
Adjusted balance at 1 January 2018	108,300	23,946	54,462	58,137	244,845	6,674	251,519
Total comprehensive income for the period	-	-	-	12,175	12,175	(10)	12,165
Expected credit loss on social housing loans borne by the Government as on 1 January 2018	-	-	-	10,777	10,777	-	10,777
As at 30 June 2018	108,300	23,946	54,462	81,089	267,797	6,664	274,461
2017 (reviewed)							
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

Basim Bin Yacob Al Hamer, Chairman

Dr. Khalid Abdulla, General Manager

This information has been extracted from the condensed consolidated financial information for the six month ended 30 June 2018 which were approved by board of directors on 6 August 2018 and reviewed by KPMG Fakhro.