

Interim Consolidated Statement of Financial Position

As at 31 March 2023 (Reviewed)

	Reviewed 31 March 2023 BD 000	Audited 31 December 2022 BD 000
ASSETS		
Cash and balances with banks and Central Bank of Bahrain	86,806	78,648
Due from banks	24,071	45,028
Financing contracts	1,011,659	999,251
Investments in equity	3,413	3,419
Investments in sukuk	284,966	290,034
Receivables and other assets	121,577	144,993
Premises, equipment and right of use assets	3,525	3,707
TOTAL ASSETS	1,536,017	1,565,080
LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY		
LIABILITIES		
Customers' current accounts	122,414	137,461
Due to banks	845	17,339
Due to non-banks	110,049	108,784
Other liabilities	23,584	19,960
TOTAL LIABILITIES	256,892	283,544
EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY		
Banks	262,418	264,155
Non-banks and individuals	850,324	832,285
TOTAL EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY	1,112,742	1,096,440
OWNERS' EQUITY		
Equity attributable to shareholders of the Parent		
Share capital	132,519	132,519
Statutory reserve	30,405	30,405
Proposed dividend	-	22,172
Retained earnings	3,459	-
TOTAL OWNERS' EQUITY	166,383	185,096
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY	1,536,017	1,565,080
OFF-BALANCE SHEET		
EQUITY OF RESTRICTED INVESTMENT ACCOUNT HOLDERS	123,935	122,380
ASSETS UNDER MANAGEMENT	730,090	725,987
CONTINGENT LIABILITIES AND COMMITMENTS	37,648	57,128

Interim Consolidated Statement of Income

For the three months ended 31 March 2023 (Reviewed)

	Three months ended 31 March	
	2023 BD 000	2022 BD 000
Income from financing contracts	15,621	14,819
Income from sukuk	3,350	3,660
Income from investments - net	622	583
Income from due from banks	577	280
OPERATING INCOME	20,170	19,342
Return on equity of investment account holders (wakala)	(9,480)	(4,493)
Return on equity of investment account holders (mudaraba) before Group's share as mudarib	(2,138)	(2,370)
Group's share as mudarib	1,880	2,044
Return on equity of investment account holders (mudaraba) after Group's share as mudarib	(258)	(326)
Profit on due to banks and non-banks	(1,499)	(1,324)
NET OPERATING INCOME	8,933	13,199
Staff costs	3,300	3,084
Depreciation and amortisation	317	326
(Reversal of) / allowance for impairment and credit losses - net	(547)	400
Other expenses	2,404	2,286
TOTAL OPERATING EXPENSES	5,474	6,096
NET INCOME FOR THE PERIOD	3,459	7,103

Interim Consolidated Statement of Cash Flows

For the three months ended 31 March 2023 (Reviewed)

	Three months ended 31 March	
	2023 BD 000	2022 BD 000
OPERATING ACTIVITIES		
Net income for the period	3,459	7,103
Adjustments for:		
(Reversal of) / allowance for impairment and credit losses - net (excluding recovery from written off accounts)	(1)	412
Depreciation and amortisation	317	326
Net gain on sale of repossessed assets	-	(41)
Foreign exchange gain	(260)	(173)
Sukuk premium amortisation	352	272
Operating income before changes in operating assets and liabilities	3,867	7,899
Changes in operating assets and liabilities:		
Mandatory reserve with Central Bank of Bahrain	(910)	(1,266)
Due from banks	-	(25,681)
Financing contracts	(12,238)	9,692
Receivables and other assets	1,067	61,034
Customers' current accounts	(15,047)	(1,867)
Due to banks	(16,494)	7,177
Due to non-banks	1,265	(127,765)
Other liabilities	4,019	5,670
Net cash flows used in operating activities	(34,471)	(65,107)
INVESTING ACTIVITIES		
Disposal (purchase) of investment in sukuk - net	4,704	(20,988)
(Purchase) disposal of premises and equipment - net	(135)	61
Net cash flows from (used in) investing activities	4,569	(20,927)
FINANCING ACTIVITIES		
Net movement in equity of investment account holders	16,302	84,558
Payments of obligation in relation to right-of-use assets	(138)	(264)
Net cash flows from financing activities	16,164	84,294
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,738)	(1,740)
Cash and cash equivalents at 1 January	74,526	178,285
CASH AND CASH EQUIVALENTS AT 31 MARCH	60,788	176,545

Interim Consolidated Statement Of Changes in Owners' Equity

For the three months ended 31 March 2023 (Reviewed)

	Share capital BD 000	Statutory reserve BD 000	Fair value through equity reserve BD 000	Retained earnings BD 000	Proposed dividend BD 000	Total owners' equity BD 000
Balance at 1 January 2023	132,519	30,405	-	-	22,172	185,096
Net income and other comprehensive income for the period	-	-	-	3,459	-	3,459
Dividend	-	-	-	-	(22,172)	(22,172)
Balance at 31 March 2023	132,519	30,405	-	3,459	-	166,383
Balance at 1 January 2022	132,519	27,942	1,850	-	21,767	184,078
Net income for the period	-	-	-	7,103	-	7,103
Other comprehensive income for the period	-	-	85	-	-	85
Total comprehensive income for the period	-	-	85	7,103	-	7,188
Dividend	-	-	-	-	(21,767)	(21,767)
Balance at 31 March 2022	132,519	27,942	1,935	7,103	-	169,499

These statements have been extracted from the interim condensed consolidated financial statements for the period ended 31 March 2023, reviewed by EY. These interim condensed consolidated financial statements were approved by the Board of Directors on 14 May 2023. Kuwait Finance House (Bahrain) B.S.C.(c) is licensed by the CBB as an Islamic retail bank.

Mohammad Naser AlFouzan
Chairman of the Board of Directors

Abdulhakeem Yaqoub Alkhayyat
Managing Director and Chief Executive Officer

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Kuwait Finance House
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Licensed as an Islamic Retail Bank by the Central Bank of Bahrain