

Interim Consolidated Statement of Financial Position

As at 30 September 2022 (Reviewed) All Figures in US\$ Thousand

	Reviewed 30 September 2022	Audited 31 December 2021
ASSETS		
Bank balances	19,378	46,590
Due from financial institutions	-	4,978
Investments	822,675	852,449
Murabaha receivables	1,364,341	1,291,024
Ijarah	112,693	128,968
Musharaka financing	5,007	-
Equipment	144	195
Other assets	72,595	7,772
TOTAL ASSETS	2,396,833	2,331,976
LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY		
Liabilities		
Murabaha and other payables	211,046	288,659
Other liabilities	16,847	31,214
	227,893	319,873
EQUITY OF INVESTMENT ACCOUNT HOLDERS		
Owners' equity		
Share capital	132,500	132,500
Reserves	186,007	164,434
	318,507	296,934
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY	2,396,833	2,331,976

Interim Consolidated Statement of Cash Flows

Nine-months period ended 30 September 2022 (Reviewed) All Figures in US\$ Thousand

	Reviewed	
	Nine months ended 30 September	
	2022	2021
OPERATING ACTIVITIES		
Net income for the period	29,609	26,664
Adjustments for:		
Depreciation	51	71
Gain on sale of investments - net	(3,866)	(3,164)
Reversal of expected credit losses - net	(4,039)	(914)
Operating income before changes in operating assets and liabilities	21,755	22,657
Changes in operating assets and liabilities:		
Due from financial institutions	5,000	-
Murabaha receivables	(73,178)	501,850
Ijarah	17,179	16,925
Other assets	(64,798)	3,628
Other liabilities	60,945	(4,735)
Murabaha and other payables	(77,613)	(224,206)
Equity of investment account holders	135,264	(355,787)
Net cash generated from / (used in) operating activities	24,554	(39,668)
INVESTING ACTIVITIES		
Purchase of investments	(140,500)	(190,000)
Proceeds from sale / redemption of investments*	115,612	268,687
Purchase of equipment	-	(119)
Net cash (used in) / generated from investing activities	(24,888)	78,568
FINANCING ACTIVITY		
Dividend paid to the shareholder	(26,878)	(25,751)
Cash used in financing activity	(26,878)	(25,751)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(27,212)	13,149
Cash and cash equivalents at the beginning of the period	46,590	12,212
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	19,378	25,361

* This excludes non-cash item amounting to US\$ 14,987 thousand relating to conversion of a Sukuk to Musharaka financing upon restructuring.

Interim Consolidated Statement of Income

Nine-months period ended 30 September 2022 (Reviewed) All Figures in US\$ Thousand

	Reviewed		Reviewed	
	Three months ended 30 September		Nine months ended 30 September	
	2022	2021	2022	2021
OPERATING INCOME				
Income from financial institutions	10	24	68	73
Income from investments	7,925	3,888	18,369	11,647
Income from Murabaha receivables	10,922	4,775	23,835	15,825
Ijarah income - net	1,527	1,192	3,806	3,725
	20,384	9,879	46,078	31,270
Profit on Murabaha and other payables	(1,374)	(588)	(2,520)	(1,740)
Return on equity of investment account holders	(10,199)	(1,747)	(19,205)	(5,574)
	8,811	7,544	24,353	23,956
Gain on sale of investments - net	-	802	3,866	3,164
Fee commission and other income - net	172	1,386	3,886	4,069
Net operating income before credit losses	8,983	9,732	32,105	31,189
Reversal / (charge) of expected credit losses - net	2,061	(370)	4,039	914
NET OPERATING INCOME	11,044	9,362	36,144	32,103
OPERATING EXPENSES				
Staff costs	1,507	1,333	4,559	3,641
Depreciation	15	28	51	71
Other expenses	506	440	1,609	1,421
Total operating expenses	2,028	1,801	6,219	5,133
INCOME FOR THE PERIOD BEFORE ZAKAH	9,016	7,561	29,925	26,970
Zakah	(106)	(102)	(316)	(306)
NET INCOME FOR THE PERIOD	8,910	7,459	29,609	26,664

Interim Consolidated Statement Of Changes In Owners' Equity

Nine-months period ended 30 September 2022 (Reviewed) All Figures in US\$ Thousand

	Reserves					
	Share capital	Statutory reserve	Investments fair value reserve	Retained earnings	Total reserves	Total owners' equity
At 31 December 2021	132,500	37,195	344	126,895	164,434	296,934
Transition adjustment on adoption of FAS 38 as of 1-Jan-22	-	-	23,137	-	23,137	23,137
As at 1 January 2022 (Restated)	132,500	37,195	23,481	126,895	187,571	320,071
Net income for the period	-	-	-	29,609	29,609	29,609
Cumulative changes in fair value of equity investments	-	-	(46)	-	(46)	(46)
Cumulative changes in fair value of debt type investments	-	-	(4,249)	-	(4,249)	(4,249)
Total comprehensive income for the period	-	-	(4,295)	29,609	25,314	25,314
Dividends paid	-	-	-	(26,878)	(26,878)	(26,878)
At 30 September 2022 (Reviewed)	132,500	37,195	19,186	129,626	186,007	318,507
As at 1 January 2021	132,500	34,209	408	125,767	160,384	292,884
Net income for the period	-	-	-	26,664	26,664	26,664
Cumulative changes in fair value of equity investments	-	-	(133)	-	(133)	(133)
Total comprehensive income for the period	-	-	(133)	26,664	26,531	26,531
Dividends paid	-	-	-	(25,751)	(25,751)	(25,751)
At 30 September 2021 (Reviewed)	132,500	34,209	275	126,680	161,164	293,664

*During the period, the Bank paid dividend of US\$ 20.29 (31 December 2021: US\$ 19.43) per share amounting to US\$ 26.88 million (2021: US\$ 25.75 million) upon approval by the shareholder at the Annual General Meeting dated 25 April 2022.

The above Interim Consolidated Statement of Financial Position, Interim Consolidated Statement of Income, Interim Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes in Owners' Equity have been extracted from the Interim Condensed Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the nine-month period ended 30th September 2022, which were approved by the Board of Directors and on which an unqualified review conclusion was issued by Ernst & Young, Kingdom of Bahrain, on 12 November 2022.