



## Year End 2022 Financial Results

### Consolidated Statement of Financial Position

31 December 2022	All Figures in US\$ Thousand	
	2022	2021
<b>ASSETS</b>		
Bank balances	13,080	46,590
Due from financial institutions	-	4,978
Investments	882,235	852,449
Murabaha receivables	1,351,965	1,291,024
Ijarah	93,678	128,968
Musharaka financing	5,087	-
Equipment	132	195
Other assets	69,090	7,772
<b>TOTAL ASSETS</b>	<b>2,415,267</b>	<b>2,331,976</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY</b>		
<b>Liabilities</b>		
Murabaha and other payables	234,539	288,659
Other liabilities	15,912	31,214
	<b>250,451</b>	<b>319,873</b>
<b>EQUITY OF INVESTMENT ACCOUNT HOLDERS</b>		
Owners' equity	1,834,540	1,715,169
Share capital	132,500	132,500
Reserves	197,776	164,434
	<b>330,276</b>	<b>296,934</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY</b>	<b>2,415,267</b>	<b>2,331,976</b>

### Consolidated Statement of Income

Year ended 31 December 2022	All Figures in US\$ Thousand	
	2022	2021
<b>OPERATING INCOME</b>		
Income from financial institutions	68	97
Income from investments	31,000	15,651
Income from Murabaha receivables	38,694	20,194
Ijarah income - net	5,719	4,877
Income from Musharaka financing	100	-
	<b>75,581</b>	<b>40,819</b>
Profit on Murabaha and other payables	(4,372)	(2,159)
Return on equity of investment account holders	(35,144)	(7,382)
	<b>36,065</b>	<b>31,278</b>
Gain on sale of investments - net	4,456	3,573
Fees and commission income - net	5,626	5,181
<b>Total operating income</b>	<b>46,147</b>	<b>40,032</b>
Reversal of / (charge for) expected credit losses - net	1,675	(1,119)
<b>NET OPERATING INCOME</b>	<b>47,822</b>	<b>38,913</b>
<b>OPERATING EXPENSES</b>		
Staff costs	6,330	4,961
Depreciation	66	99
Other expenses	2,251	3,579
<b>Total operating expenses</b>	<b>8,647</b>	<b>8,639</b>
<b>INCOME FOR THE YEAR BEFORE ZAKAH</b>	<b>39,175</b>	<b>30,274</b>
Zakah	(421)	(409)
<b>NET INCOME FOR THE YEAR</b>	<b>38,754</b>	<b>29,865</b>

### Consolidated Statement of Cash Flows

Year ended 31 December 2022	All Figures in US\$ Thousand	
	2022	2021
<b>OPERATING ACTIVITIES</b>		
Net income for the year	38,754	29,865
Adjustments for:		
Depreciation	66	99
Gain on sale of investments - net	(4,456)	(3,573)
(Reversal of) / charge for expected credit losses - net	(1,675)	1,119
Operating profit before changes in operating assets and liabilities	32,689	27,510
Changes in operating assets and liabilities:		
Due from financial institutions	5,000	-
Murabaha receivables	(63,184)	(53,533)
Ijarah	36,417	30,100
Musharaka financing	(79)	-
Other assets	(61,298)	1,711
Other liabilities	54,338	(70)
Murabaha and other payables	(54,120)	(175,176)
Equity of investment account holders	119,371	227,314
Net cash flows from operating activities	69,134	57,856
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(211,500)	(290,000)
Proceeds from sale / redemption of investments*	135,731	292,393
Purchase of equipments	3	(120)
Net cash (used in) / from investing activities	(75,766)	2,273
<b>FINANCING ACTIVITY</b>		
Dividend paid to the shareholder	(26,878)	(25,751)
Cash used in financing activity	(26,878)	(25,751)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(33,510)</b>	<b>34,378</b>
Cash and cash equivalents at the beginning of the year	46,590	12,212
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>13,080</b>	<b>46,590</b>

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

### Consolidated Statement of Changes In Owners' Equity

Year ended 31 December 2022	Reserves					Total owners' equity
	Share capital	Statutory reserve	Investments fair value reserve	Retained earnings	Total reserves	
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 January 2022	-	-	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 year	-	-	-	38,754	38,754	38,754
Cumulative changes in fair value of equity investments	-	-	(115)	-	(115)	(115)
Cumulative changes in fair value of debt type investments	-	-	(1,556)	-	(1,556)	(1,556)
Total comprehensive income for the year	-	-	(1,671)	38,754	37,083	37,083
Transfer to statutory reserve	-	3,875	-	(3,875)	-	-
Dividends paid	-	-	-	(26,878)	(26,878)	(26,878)
At 31 December 2022	132,500	41,070	21,810	134,896	197,776	330,276
As at 1 January 2021	132,500	34,209	408	125,767	160,384	292,884
Net income for the year	-	-	-	29,865	29,865	29,865
Cumulative changes in fair value of equity investments	-	-	(64)	-	(64)	(64)
Total comprehensive income for the year	-	-	(64)	29,865	29,801	29,801
Transfer to statutory reserve	-	2,986	-	(2,986)	-	-
Dividends paid	-	-	-	(25,751)	(25,751)	(25,751)
At 31 December 2021	132,500	37,195	344	126,895	164,434	296,934

The above Consolidated Statement of Financial Position, Consolidated Statement of Income, Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Owners' Equity have been extracted from the Consolidated Financial Statements of ABC Islamic Bank (E.C.) for the year ended 31 December 2022, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain, on 9 February 2023.

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Bank ABC Islamic (ABC Islamic Bank (E.C.)) is licensed as an Islamic wholesale bank by the Central Bank of Bahrain