

Consolidated Statement of Financial Position

31 December 2023 All Figures in US\$ Thousand

	2023	2022
ASSETS		
Bank balances	9,601	13,080
Due from a financial institution	74,754	-
Investments	808,819	882,235
Murabaha receivables	1,477,447	1,351,965
Ijarah	83,074	93,678
Musharaka financing	5,178	5,087
Equipment	259	132
Other assets	41,453	69,090
TOTAL ASSETS	2,500,585	2,415,267
LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY		
Liabilities		
Murabaha and other payables	245,881	234,539
Other liabilities	12,643	15,912
	258,524	250,451
EQUITY OF INVESTMENT ACCOUNT HOLDERS	1,914,018	1,834,540
Owners' equity		
Share capital	132,500	132,500
Reserves	53,877	62,880
Retained earnings	141,666	134,896
	328,043	330,276
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY	2,500,585	2,415,267

Consolidated Statement of Income

Year ended 31 December 2023

All Figures in US\$ Thousand

	2023	2022
OPERATING INCOME		
Income from a financial institution	169	68
Income from investments	65,481	31,000
Income from Murabaha receivables	75,596	38,694
Ijarah income - net	7,283	5,719
Income from Musharaka financing	131	100
	148,660	75,581
Profit on Murabaha and other payables	(9,206)	(4,372)
Return on equity of investment account holders	(89,476)	(35,144)
	49,978	36,065
Gain on sale of investments - net	4,495	4,456
Fees and commission income - net	4,916	5,626
Total operating income	59,389	46,147
(Charge for) / reversal of expected credit losses - net	(1,771)	1,675
NET OPERATING INCOME	57,618	47,822
OPERATING EXPENSES		
Staff costs	6,335	6,330
Depreciation	90	66
Other expenses	4,484	2,251
Total operating expenses	10,909	8,647
INCOME FOR THE YEAR BEFORE ZAKAH	46,709	39,175
Zakah	(433)	(421)
NET INCOME FOR THE YEAR	46,276	38,754

Consolidated Statement of Cash Flows

Year ended 31 December 2023

All Figures in US\$ Thousand

	2023	2022
OPERATING ACTIVITIES		
Net income for the year	46,276	38,754
Adjustments for:		
Depreciation	90	66
Gain on sale of investments - net	(4,495)	(4,456)
Charge for / (reversal of) expected credit losses - net	1,771	(1,675)
Operating profit before changes in operating assets and liabilities	43,642	32,689
Changes in operating assets and liabilities:		
Due from a financial institution	(75,000)	5,000
Murabaha receivables	(127,363)	(63,184)
Ijarah	10,355	36,417
Musharaka financing	(105)	(79)
Other assets	(606)	(61,298)
Other liabilities	(2,503)	54,338
Murabaha and other payables	11,342	(54,120)
Equity of investment account holders	79,478	119,371
Net cash flow (used in) / from operating activities	(60,760)	69,134
INVESTING ACTIVITIES		
Purchase of investments	(289,070)	(211,500)
Proceeds from sale / redemption of investments	381,446	135,731
Purchase of equipment	(217)	3
Net cash from / (used in) investing activities	92,159	(75,766)
FINANCING ACTIVITY		
Dividend paid to the shareholder	(34,878)	(26,878)
Cash used in financing activity	(34,878)	(26,878)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,479)	(33,510)
Cash and cash equivalents at the beginning of the year	13,080	46,590
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9,601	13,080

Consolidated Statement of Changes In Owners' Equity

Year ended 31 December 2023

All Figures in US\$ Thousand

	Reserves					Total owner's equity
	Share capital	Statutory reserve	Investment fair value reserve	Total reserves	Retained earnings	
As at 1 January 2023	132,500	41,070	21,810	62,880	134,896	330,276
Net income for the year	-	-	-	-	46,276	46,276
Cumulative changes in fair value of equity investments	-	-	(791)	(791)	-	(791)
Cumulative changes in fair value of debt type investments	-	-	(12,840)	(12,840)	-	(12,840)
Total comprehensive income for the year	-	-	(13,631)	(13,631)	46,276	32,645
Transfer to statutory reserve	-	4,628	-	4,628	(4,628)	-
Dividends paid*	-	-	-	-	(34,878)	(34,878)
At 31 December 2023	132,500	45,698	8,179	53,877	141,666	328,043
As at 1 January 2022	132,500	37,195	23,481	60,676	126,895	320,071
Net income for the year	-	-	-	-	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)	(1,671)	38,754	37,083
Transfer to statutory reserve	-	3,875	-	3,875	(3,875)	-
Dividends paid*	-	-	-	-	(26,878)	(26,878)
At 31 December 2022	132,500	41,070	21,810	62,880	134,896	330,276

*During the year, the Bank paid dividend of US\$ 26.323 (2022: US\$ 20.286) per share amounting to US\$ 34.878 million (2022: US\$ 26.878 million) upon approval by the shareholder at the Annual General Meeting.

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 2023, which were approved by the Board of Directors and on which an unqualified audit opinion was issued by Ernst & Young, Kingdom of Bahrain, on 10 February 2024.