

BBK B.S.C.- Interim Condensed Consolidated Financial Statements

30 June 2020 (Reviewed)



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020 (Reviewed)
BD millions

	Reviewed 30 June 2020	Audited 31 December 2019
ASSETS		
Cash and balances with central banks	426.4	376.4
Treasury bills	472.1	484.4
Deposits and amounts due from banks and other financial institutions	449.3	278.3
Loans and advances to customers	1,602.8	1,670.9
Investment securities	897.3	875.0
Investments in associated companies and joint ventures	70.7	70.6
Interest receivable and other assets	78.2	74.2
Premises and equipment	36.1	35.2
TOTAL ASSETS	4,032.9	3,865.0
LIABILITIES AND EQUITY		
Liabilities		
Deposits and amounts due to banks and other financial institutions	447.3	363.1
Borrowings under repurchase agreement	395.2	313.4
Term borrowings	188.5	333.0
Customers' current, savings and other deposits	2,376.7	2,169.5
Interest payable and other liabilities	183.2	139.0
Total liabilities	3,590.9	3,318.0
Equity		
Share capital	136.2	129.7
Treasury stock	(3.4)	(5.2)
Share premium	105.6	105.6
Statutory reserve	61.6	61.6
General reserve	61.6	54.1
Cumulative changes in fair values	(63.9)	11.2
Foreign currency translation adjustments	(14.5)	(12.2)
Retained earnings	156.5	144.6
Proposed appropriations	-	54.5
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE BANK	439.7	543.9
Non-controlling interest	2.3	3.1
Total equity	442.0	547.0
TOTAL LIABILITIES AND EQUITY	4,032.9	3,865.0

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six-month period ended 30 June 2020 (Reviewed)
BD millions

	Six months ended	
	30-Jun-20	30-Jun-19
Interest and similar income	74.8	88.8
Interest and similar expense	(34.0)	(31.2)
Net interest and similar income	40.8	57.6
Fee and commission income - net	9.9	12.5
Other income	10.9	9.6
Total operating income	61.6	79.7
Staff costs	(18.3)	(18.7)
Other expenses	(12.4)	(12.1)
Total operating expenses	(30.7)	(30.8)
Total provisions - net	(4.3)	(13.5)
Net operating income	26.6	35.4
Share of profit from associated companies and joint ventures	2.5	4.8
PROFIT FOR THE PERIOD BEFORE TAX	29.1	40.2
Net tax write-back	0.4	0.1
PROFIT FOR THE PERIOD AFTER TAX	29.5	40.3
Attributable to:		
Owners of the Bank	29.2	40.0
Non-controlling interest	0.3	0.3
	29.5	40.3
Basic and diluted earnings per share (BD)	0.022	0.032

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Six-month period ended 30 June 2020 (Reviewed)
BD millions

	Six months ended	
	30-Jun-20	30-Jun-19
Profit for the period	29.5	40.3
Other comprehensive (loss) / income:		
<i>Items that will not be reclassified to profit or loss</i>		
Fair value through other comprehensive income (equity instruments)	(6.3)	5.7
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
<i>Movement in translation reserve:</i>		
Foreign currency translation adjustments	(2.3)	0.3
<i>Movement in hedging reserve:</i>		
Effective portion of changes in fair value	0.1	(0.6)
<i>Movement in fair value reserve:</i>		
Net change in fair value	(67.5)	3.4
Net amount transferred to profit or loss	(1.0)	(1.6)
Other comprehensive (loss) / income for the period	(77.0)	7.2
Total comprehensive (loss) / income for the period	(47.5)	47.5
Attributable to:		
Owners of the Bank	(47.8)	47.2
Non-controlling interest	0.3	0.3
	(47.5)	47.5

The consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, segmental information, accounting policies and notes have been extracted from the interim condensed consolidated financial statements of BBK B.S.C. for the six-month period ended 30 June 2020 which were reviewed by Ernst & Young, who have expressed an unqualified conclusion on 22 July 2020.

Above information available on www.bbkonline.com

Reviewed by Ernst & Young

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Six-month period ended 30 June 2020 (Reviewed)
BD millions

	Six months ended	
	30-Jun-20	30-Jun-19
Net cash from operating activities	541.4	526.0
Net cash used in investing activities	(98.2)	(46.4)
Net cash used in financing activities	(183.7)	(50.9)
Foreign currency translation adjustments	(2.3)	0.3
NET CHANGE IN CASH AND CASH EQUIVALENTS	257.2	429.0
Cash and cash equivalents at beginning of the period	536.9	345.4
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	794.1	774.4

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six-month period ended 30 June 2020
(Reviewed)
BD millions

	Attributable to the owners of the Bank				Non-controlling interest	Total equity
	Share capital	Others	Retained earnings	Proposed Appropriations		
Balance at 1 January 2020	129.7	215.1	144.6	54.5	543.9	3.1
Profit for the period	-	-	29.2	-	29.2	0.3
Other comprehensive loss for the period	-	(77.4)	0.4	-	(77.0)	-
Total comprehensive loss for the period	-	(77.4)	29.6	-	(47.8)	0.3
Share - based payments	-	-	0.1	-	0.1	-
Modification loss net of government assistance	-	-	(17.8)	-	(17.8)	-
Dividends paid	-	-	-	(38.5)	(38.5)	(0.1)
Stock dividends	6.5	-	-	(6.5)	-	-
Donations	-	-	-	(2.0)	(2.0)	-
Movement in treasury stock	-	1.8	-	-	1.8	-
Transfer to general reserve	-	7.5	-	(7.5)	-	-
Movement in non controlling interest	-	-	-	-	-	(1.0)
Balance at 30 June 2020	136.2	147.0	156.5	-	439.7	2.3

	108.2	196.0	149.0	44.6	497.8	2.7	500.5
Balance at 1 January 2019	108.2	196.0	149.0	44.6	497.8	2.7	500.5
Profit for the period	-	-	40.0	-	40.0	0.3	40.3
Other comprehensive income for the period	-	8.0	(0.8)	-	7.2	-	7.2
Total comprehensive income for the period	-	8.0	39.2	-	47.2	0.3	47.5
Distribution on perpetual tier 1 convertible capital securities	-	-	(3.6)	-	(3.6)	-	(3.6)
Conversion of perpetual tier 1 convertible capital securities to ordinary shares	21.5	(21.5)	-	-	-	-	-
Share-based payments	-	-	0.3	-	0.3	-	0.3
Dividends paid	-	-	-	(43.0)	(43.0)	(0.3)	(43.3)
Donations	-	-	-	(1.6)	(1.6)	-	(1.6)
Movement in treasury stock	-	(3.0)	-	-	(3.0)	-	(3.0)
Proposed appropriations	-	-	(12.8)	12.8	-	-	-
Balance at 30 June 2019	129.7	179.5	172.1	12.8	494.1	2.7	496.8

SEGMENTAL INFORMATION

Six-month period ended 30 June 2020 (Reviewed)
BD millions

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
30 June 2020					
Operating income before share of profit of associated companies and joint ventures	21.2	12.4	9.8	18.2	61.6
Segment result	8.2	1.2	3.2	14.4	27.0
Share of profit from associated companies and joint ventures	1.7	-	-	0.8	2.5
Profit for the period					29.5
Profit attributable to non-controlling interest					(0.3)
Profit attributable to the owners of the Bank					29.2
30 June 2019					
Operating income before share of profit of associated companies and joint ventures	27.7	17.5	12.1	22.4	79.7
Segment result	13.5	7.7	(5.4)	19.7	35.5
Share of profit from associated companies and joint ventures	3.0	-	-	1.8	4.8
Profit for the period					40.3
Profit attributable to non-controlling interest					(0.3)
Profit attributable to the owners of the Bank					40.0

Accounting policies and Notes :

- The interim condensed consolidated financial statements of the Group for the six-month period ended 30 June 2020 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2019. In addition, results for the six-month period ended 30 June 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.
- *Other income for the six-month period ended 30 June 2020 includes BD 2.1 million (30 June 2019: BD 2.6 million) of dividend income, which is of a seasonal nature.
- the Annual General Meeting held on 24 March 2020, the shareholders approved the proposed appropriations of the year ended 31 December 2019.

Murad Ali Murad
Chairman

Sh. Abdulla bin Khalifa bin Salman Al-Khalifa
Deputy Chairman

Dr. AbdulRahman Saif
Group Chief Executive